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**ACADIA PARISH POLICE JURY  
FINANCIAL REPORT  
DECEMBER 31, 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9-14-05

ACADIA PARISH POLICE JURY  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2004

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To the Honorable Cecelia Broussard, President  
Acadia Parish Police Jury  
Crowley, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish Police Jury as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements of the Acadia Parish Police Jury's primary government as listed in the table of contents. These financial statements are the responsibility of the Acadia Parish Police Jury's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements referred to above include only the primary government of the Acadia Parish Police Jury, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Acadia Parish Police Jury's entity. The financial statements do not include financial data for the Acadia Parish Police Jury's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Acadia Parish Police Jury's primary government. As a result, the

primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Acadia Parish Police Jury as of December 31, 2004, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the primary government of the Acadia Parish Police Jury as of December 31, 2004, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated July 27, 2005, on our consideration of the Acadia Parish Police Jury's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The *Management's Discussion and Analysis* and *Budgetary Comparison* information on pages 3 through 11 and 54 through 61, respectively, are not a required part of the basic financial statements of the Acadia Parish Police Jury, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the *Required Supplementary Information*. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the Acadia Parish Police Jury. The accompanying information listed as *Other Supplementary Information* in the table of contents, including the *Schedule of Expenditures of Federal Awards* required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Acadia Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements of the Acadia Parish Police Jury and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements of the Acadia Parish Police Jury taken as a whole.

*Broussard, Locke, Lewis & Breaux, L.L.P.*

Crowley, Louisiana  
July 27, 2005

## ACADIA PARISH POLICE JURY

### MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of the Acadia Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the year ended December 31, 2004, in an easily readable analysis. Please read it in conjunction with the Police Jury's financial statements that follow.

With the implementation of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, a government's presentation of financial statements has been greatly changed. The new statements focus on the Police Jury as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and should enhance the Police Jury's accountability.

#### **FINANCIAL HIGHLIGHTS**

The Police Jury's total assets exceeded its liabilities at the close of the year by \$35,763,716. Of this amount, \$14,783,943 was invested in capital assets, net of related debt; \$14,323,434 was restricted; and \$6,656,339 was unrestricted. The unrestricted portion of net assets may be used to meet the government's ongoing obligations and operational needs.

Total expenses of governmental activities for all our programs were \$14,226,037 for the year. Of this amount, \$283,678 was provided by program revenues from charges for services; \$919,679 from operating grants and contributions; and \$469,075 from capital grants and contributions. The remainder was provided by general revenues. Based on the governmental activities of 2004, net assets increased \$471,398.

As of the close of the current year, the Police Jury's governmental funds reported a combined ending fund balance of \$24,725,427. The General Fund accounted for \$2,544,196 of the total with \$2,335,252 being unreserved and undesignated. Governmental activities reported net change in fund balances of \$1,511,406. The General Fund accounted for (\$160,814) of the net change in total fund balances.

#### **USING THE BASIC FINANCIAL STATEMENTS**

##### *Government-Wide Financial Statements (GWFS):*

The government-wide financial statements are designed to provide the reader with a broad overview of the Police Jury's finances, similar in format to a financial statement of a commercial enterprise. These statements combine governmental fund's current financial resources with capital assets and long-term liabilities.

The Police Jury's government-wide financial statements include a *Statement of Net Assets* and *Statement of Activities*, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the *Statement of Net Assets* is to report all of the assets held and liabilities owed by the Police Jury using the full accrual basis of accounting. The Police Jury reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are

incurred. For example, the Police Jury reports buildings and infrastructure as assets even though they are not available to pay the obligations incurred by the Police Jury. On the other hand, the Police Jury reports liabilities, such as landfill closure and postclosure care costs, even though these liabilities might not be paid until several years into the future.

The difference between the Police Jury's total assets and total liabilities is reported as net assets and this difference is similar to the total owners' equity presented by a commercial enterprise. Over time increases or decreases in the Police Jury's net assets are one indicator of whether its financial health is improving or deteriorating. However, the Police Jury's goal is to provide services to the citizens of Acadia Parish, Louisiana, not to generate profits as commercial enterprises do. Therefore, other nonfinancial factors, such as the quality of health and welfare services provided to parish citizens and the condition of roads and bridges, must be considered to assess the overall health of the Police Jury.

The purpose of the *Statement of Activities* is to present the revenues and expenses of the Police Jury. Again, the items presented on the *Statement of Activities* are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the Police Jury. Thus, revenues are reported even though they may not be collected for several months after the end of the current accounting period and expenses are recorded even though they may not have used cash during the current accounting period.

#### *Fund Financial Statements (FFS):*

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the Acadia Parish Police Jury rather than the Police Jury as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Police Jury, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds.* All of the Police Jury's activities are reported in governmental funds, which are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements. The basic governmental fund financial statements are located in *Exhibits C through F* of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds in the fund financial statements with similar information presented for governmental activities in the government-wide financial statements. By doing so,

readers may better understand the long-term impact of the government's near-term financing decisions. Following both the *Balance Sheet - Governmental Funds (Exhibit C)* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit E)* is a reconciliation to facilitate this comparison between governmental funds and governmental activities (*Exhibits D and F*).

The Acadia Parish Police Jury maintains 21 individual governmental funds. Information is presented separately in the *Balance Sheet - Governmental Funds* and in the *Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds* for the General Fund; Parish Road Fund; Sales Tax Fund; 1% Sales Tax District No. 2 Fund; and Sales Tax Road Bonds, Series 1996 Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the *Other Supplementary Information* section which follows the basic financial statements of the Acadia Parish Police Jury.

The combining statements in connection with nonmajor governmental funds are presented immediately following the *Required Supplementary Information*. Combining and individual nonmajor fund statements and schedules can be found on pages 66 through 83.

The Acadia Parish Police Jury adopts an annual appropriated budget for all of its governmental funds. During the course of the year, this budget is amended to take into consideration changes that have occurred affecting revenues and expenditures. A budgetary comparison schedule showing the originally adopted budget and the final amended budget compared with actual operating results (on the budgetary basis) is provided in the *Required Supplementary Information* section for the General Fund and each major special revenue fund (*Exhibits G-1 through G-5*) to demonstrate compliance with this budget.

*Notes to the Financial Statements.* The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the financial statements and can be found on pages 28 through 50.

Our auditor has provided assurance in the independent auditors' report, located immediately preceding this *Management's Discussion and Analysis*, that the financial statements of the Acadia Parish Police Jury's primary government are fairly stated. However, because of the omission of all components units, the primary government financial statements do not purport to, and do not, present fairly the financial data of the reporting entity of the Acadia Parish Police Jury in conformity with accounting principles generally accepted in the United States of America. Varying degrees of assurance is being provided by the auditor regarding the *Required and Other Supplementary Information*. A user of this report should read the *Independent Auditors' Report* carefully to ascertain the level of assurance being provided for each of the other parts in the financial section.



## REPORTING THE POLICE JURY AS A WHOLE

### Statement of Net Assets and Statement of Activities

The following table reflects the condensed Statement of Net Assets for 2004, with comparative figures from 2003:

**TABLE 1**  
ACADIA PARISH POLICE JURY  
CONDENSED STATEMENT OF NET ASSETS  
GOVERNMENTAL ACTIVITIES  
December 31, 2004 and 2003

	<u>2004</u>	<u>2003 *</u>
Assets:		
Current and other assets	\$27,183,233	\$24,814,183
Capital assets	<u>28,359,673</u>	<u>28,725,806</u>
Total assets	<u>\$55,542,906</u>	<u>\$53,539,989</u>
Liabilities:		
Current and other liabilities	\$ 1,802,952	\$ 479,621
Long-term liabilities	<u>17,976,238</u>	<u>16,663,030</u>
Total liabilities	<u>\$19,779,190</u>	<u>\$17,142,651</u>
Net assets:		
Invested in capital assets, net of related debt	\$14,783,943	\$16,361,275
Restricted	14,323,434	14,000,879
Unrestricted	<u>6,656,339</u>	<u>6,035,184</u>
Total net assets	<u>\$35,763,716</u>	<u>\$36,397,338</u>

\* Restated

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Acadia Parish Police Jury, assets exceed liabilities by \$35,763,716 at the close of the year. Of this amount, \$14,783,943 or 41.3% of the total net assets represents the investment of the Police Jury in capital assets, net of related debt. Another 40.1% (\$14,323,434) is subject to external restrictions on how it may be used, such as property tax approved by the electorate for specific purposes. The remaining 18.6% (\$6,656,339) of net assets referred to as unrestricted, need to be viewed in light of information in the fund financial statements. Some of this unrestricted amount represents funds for expenditures that the Police Jury has approved or budgeted but has not been legally obligated to pay. Actions of the Police Jury do not qualify as restrictions of net assets in the basic financial statements of the Acadia Parish Police Jury.

Capital assets account for \$28,359,673 or 51.1% of the total assets. This is reflective of the investment in new and improved facilities funded by a series of debt issues in recent years. This is further highlighted by the fact that \$17,976,238 or 90.9% of the Police Jury's liabilities represents long-term debt.

The following table provides a summary of the changes in net assets for the year ended December 31, 2004, with comparative figures from 2003:

**TABLE 2**  
ACADIA PARISH POLICE JURY  
CONDENSED STATEMENT OF CHANGES IN NET ASSETS  
GOVERNMENTAL ACTIVITIES  
Years Ended December 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Revenues:		
Program revenues -		
Charges for services	\$ 284,818	\$ 428,223
Operating grants and contributions	919,679	633,489
Capital grants and contributions	469,075	204,645
General revenues -		
Sales and use taxes	7,347,503	7,943,463
Other taxes	4,255,061	4,101,939
Grants and contributions not restricted to specific programs	627,046	646,671
Gain (loss) on sale of capital assets	(688,619)	(5,714)
Other	377,852	428,684
Total revenues	<u>\$13,592,415</u>	<u>\$14,381,400</u>
Expenses:		
General government -		
Legislative	\$ 267,987	\$ 203,742
Judicial	805,629	923,992
Elections	50,261	81,420
Finance and administrative	47,413	195,900
Other general government	708,758	376,694
Public safety	1,027,412	838,276
Public works	4,762,495	4,020,184
Economic development and assistance	565,696	272,229
Health and welfare	4,092,874	4,803,815
Culture and recreation	1,307,867	1,050,899
Interest and fiscal charges on long-term debt	589,645	614,792
Total expenses	<u>\$14,226,037</u>	<u>\$13,381,943</u>
Change in net assets	\$ (633,622)	\$ 999,457
Net assets, January 1	36,397,338	33,364,436
Prior period adjustment	<u>-</u>	<u>2,033,445</u>
Net assets, December 31	<u>\$35,763,716</u>	<u>\$36,397,338</u>

As reported in the *Statement of Activities*, the cost of all of our governmental activities this year was \$14,226,037. However, the amount that our taxpayers ultimately financed for these activities was only \$12,553,605, because some of the cost was paid by those who benefited from the programs (\$283,678) or by other governments and organizations who subsidized certain programs with grants and contributions (\$1,388,754). The remainder was funded by other general revenues. For more detailed information see *Exhibit B*.

#### **FINANCIAL ANALYSIS OF POLICE JURY FUNDS**

The Police Jury uses funds to control and permit measurement in the short-term of revenues and expenditures of a particular activity or purpose (e.g., dedicated taxes and grant programs). The fund financial statements allow the Police Jury to demonstrate its stewardship over and accountability for resources provided by taxpayers and other entities. These statements also allow the reader to obtain more insight into the financial management of the Police Jury and assess further the Police Jury's overall financial stability.

As of the close of the current year, the Police Jury's governmental funds reported a combined ending fund balance of \$24,725,427. The General Fund accounted for \$2,544,196 of the total with \$2,335,252 being unreserved and undesignated.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The Police Jury's budget is prepared according to Louisiana law. During the course of the year, this budget is amended to take into consideration changes that have occurred affecting revenues and expenditures. Louisiana Revised Statute 39:1311 requires a budget amendment if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more.

A budgetary comparison schedule showing the Police Jury's originally adopted budget and the final amended budget compared with actual operating results (on the budgetary basis) for the General Fund and all major special revenue funds is provided in the report that follows. The Police Jury's year-end actual results were better than budgeted, as conservative budgetary practices are customary. Revenues are forecasted conservatively and expenditures are budgeted in anticipation of all possible costs and projects.

#### **CAPITAL ASSET AND DEBT ADMINISTRATION**

*Capital Assets.* At December 31, 2004, the Acadia Parish Police Jury had \$28,359,673 (net of accumulated depreciation of \$15,897,767) invested in a broad range of capital assets including land; buildings and improvements; machinery and equipment; and infrastructure assets such as roads and bridges. This amount represents a net decrease (including additions, deductions, and depreciation) of just over \$366,000 or 1.3% from last year.

**TABLE 3**  
**ACADIA PARISH POLICE JURY**  
**CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION**  
**December 31, 2004 and 2003**

	<u>2004</u>	<u>2003 *</u>
Land	\$ 1,267,769	\$ 945,369
Construction in progress	893,792	49,775
Buildings and improvements	6,399,666	7,749,865
Machinery and equipment	2,555,921	2,080,149
Books and periodicals	209,209	211,956
Improvements, other than buildings	36,131	37,682
Infrastructure	<u>16,997,185</u>	<u>17,651,010</u>
Total	<u>\$ 28,359,673</u>	<u>\$ 28,725,806</u>

\* Restated

During the year, \$3,784,745 of capital assets were added. Depreciation expense for the year ended December 31, 2004 was \$1,848,697. Major construction and renovation projects will continue during the 2005 fiscal year and will be funded by sales and use taxes and bonds approved by the voters. Construction in progress at this time includes expenditures incurred for the various projects, most notably, the *Extension of Clay Liner at Landfill Project*.

Cost of infrastructure assets is determined in various ways. GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, requires capital assets to be recorded at historical cost or at estimated historical cost whenever it is impractical to determine historical cost because of inadequate records. The costs were determined, as identified below, whenever actual historical cost was not known.

The cost of bridges was determined by multiplying the estimated replacement cost and deflating the current cost to the estimated cost at the time of construction. The estimated age was provided by the engineers for the Police Jury. The estimated useful life for purposes of depreciation ranges from 20 to 50 years depending on the construction type.

The deflation factors used were as per the "price trends for federal-aid highway construction" obtained from the United States Department of Transportation web-site. 95% of the Police Jury's debt service goes to retire debt issued for the purpose of road and bridge improvements made since 1996. The Police Jury embarked on a long-range capital improvement effort that includes major repairs to existing infrastructure and reconstruction of new and existing roads and bridges. Nearly \$20 million of local, State, and Federal monies have been spent on this endeavor. Plans are now underway to begin the second part of Phase III that will likely include the hard surfacing of approximately 40 miles of aggregate roadways. This is likely to be accomplished by using a combination of cash reserves and refinancing existing debt.

The Police Jury is responsible for maintaining over 700 miles of public roads, half of which are still gravel and over 350 bridge structures. This does not include State and municipal routes. Most bridges are considered 3 span or larger with an average replacement cost of \$100,000. The Parish Road Fund maintenance budget has doubled since 1996 to \$1.9 million due primarily to the passage of a 1% rural sales and use tax of which most is used to retire debt.

**Long-Term Debt.** At the end of this year, the Acadia Parish Police Jury had total bonded debt outstanding of \$13,699,691. This amount comprises debt backed by the full faith and credit of the Acadia Parish Police Jury.

**TABLE 4**  
**ACADIA PARISH POLICE JURY**  
**SUMMARY OF OUTSTANDING DEBT AT YEAR-END**  
**December 31, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
Sales Tax Road Bonds, Series 1996	\$ 3,220,000	\$ 3,580,000
Paving Certificates, Series 1999	66,691	80,029
Certificates of Indebtedness, Series 1999	-	160,000
Sales Tax Road Bonds, Series 2001	4,220,000	4,460,000
Refunding Certificates of Indebtedness, Series 2002	2,674,000	3,500,000
Refunding Bonds, Series 2003	605,000	690,000
Correctional Center Bonds, Series 2004	2,640,000	-
Certificates of Indebtedness, Series 2004	<u>274,000</u>	<u>-</u>
Total long-term debt	<u>\$13,699,691</u>	<u>\$12,470,029</u>

The Police Jury's total bonded debt increased during the year by \$1,229,662.

The Police Jury issued \$2,640,000 of Correctional Center Bonds, Series 2004 during the year for the purpose of constructing a new correctional facility. The bond issue will be financed by excess annual revenues.

Additionally, the Police Jury issued \$300,000 of Certificates of Indebtedness, Series 2004 during the year for the purpose of constructing a public building for use by the Mosquito Control Program. The certificates are financed by sales and use tax revenues.

Other obligations include accrued compensated absences payable and landfill closure and postclosure care costs liability, with balances at December 31, 2004 of \$234,305 and \$4,042,242, respectively. More detailed information about these long-term liabilities is included in the notes to the financial statements of the Acadia Parish Police Jury.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Local and national factors influence the Acadia Parish Police Jury's revenues. Economic growth in the local community may be measured by a variety of indicators such as employment growth; unemployment; new construction; and assessed valuation of property. The Police Jury's elected and appointed officials considered all of these factors when preparing the budget for the 2005 fiscal year.

Expenditures of the governmental funds are expected to remain fairly consistent with the prior year.

Property values in Acadia Parish went through a special assessment allowed this year for reassessment of the 2003 tax roll figures. Taxable property values increased from \$169,703,460 in 2003, to \$180,701,030 in 2004, an increase of \$10,997,570.

The tax rates that will be in effect for the 2005 fiscal year are as follows:

Property tax rates:

General tax	6.37 Mills
Road maintenance tax	3.18 Mills
Library maintenance tax	4.25 Mills
Health Unit maintenance tax	2.12 Mills
Cooperative Extension Facility tax	<u>2.12 Mills</u>
Total tax mills	<u>18.04 Mills</u>

**CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT**

This document is designed to provide a general overview of the Acadia Parish Police Jury's finances for all those with an interest in the finances of the government. Additional information about the Acadia Parish Police Jury can be found by accessing our web-site at [www.acadiaparishpolicejury.org](http://www.acadiaparishpolicejury.org). Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mr. Katry Martin, Secretary-Treasurer, Acadia Parish Police Jury, Post Office Box 200, Crowley, Louisiana 70527-0200, (337)788-8800.

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BASIC FINANCIAL STATEMENTS



## ACADIA PARISH POLICE JURY

STATEMENT OF NET ASSETS  
December 31, 2004

ASSETS	Governmental Activities
Cash	\$ 1,540,779
Investments	20,669,434
Accrued interest receivable	24,917
Taxes receivable	2,790,133
Special assessments receivable	12,582
Other receivables	185,191
Inventories	31,513
Due from other governmental entities	1,804,723
Bond issue costs, net	123,961
Capital assets:	
Non-depreciable	2,161,561
Depreciable	26,198,112
Total assets	<u>\$ 55,542,906</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Cash overdraft	\$ 84,125
Accounts payable	1,189,808
Retainage payable	116,396
Other payables	39,093
Deferred revenue	95,428
Due to other governmental entities	175,031
Accrued interest payable	103,071
Long-term liabilities:	
Portion due or payable within one year -	
Bonds payable	1,752,338
Compensated absences	119,170
Portion due or payable after one year -	
Bonds payable	11,947,353
Compensated absences	115,135
Landfill closure and postclosure care costs liability	4,042,242
Total liabilities	<u>\$ 19,779,190</u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 14,783,943
Restricted for:	
Debt service	2,250,032
Capital projects	3,648,136
Other purposes	8,425,266
Unrestricted	6,656,339
Total net assets	<u>\$ 35,763,716</u>
Total liabilities and net assets	<u>\$ 55,542,906</u>

See Notes to Financial Statements.

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ACADIA PARSIH POLICE JURY

STATEMENT OF ACTIVITIES  
Year Ended December 31, 2004

FUNCTIONS/PROGRAMS	Expenses	Program	
		Charges for Services	Operating Grants and Contributions
Governmental activities -			
General government:			
Legislative	\$ 267,987	\$ -	\$ -
Judicial	805,629	56,442	-
Elections	50,261	-	-
Finance and administrative	47,413	-	-
Other	708,758	6,076	-
Public safety	1,027,412	-	281,031
Public works	4,762,495	78,123	508,337
Economic development and assistance	565,696	37,739	-
Health and welfare	4,092,874	64,227	88,702
Culture and recreation	1,307,867	42,211	41,609
Interest and fiscal charges on long-term debt	589,645	-	-
Total governmental activities	<u>\$14,226,037</u>	<u>\$ 284,818</u>	<u>\$ 919,679</u>

General revenues:

Taxes -

  Property

  Sales

  Severance

  Fire insurance premiums

  Occupational and insurance

  Other

Grants and contributions not restricted to  
specific programs

Investment income

Gain (loss) on sale of capital assets

Miscellaneous

    Total general revenues

Change in net assets

Net assets, beginning, as restated

Net assets, ending

See Notes to Financial Statements.

Exhibit B

	Governmental Activities
<u>Revenues</u>	<u>Net (Expense)</u>
Capital	Revenue and
Grants and	Change in
<u>Contributions</u>	<u>Net Assets</u>
\$ -	\$ (267,987)
-	(749,187)
-	(50,261)
-	(47,413)
-	(702,682)
69,170	(677,211)
6,089	(4,169,946)
393,816	(134,141)
-	(3,939,945)
-	(1,224,047)
-	(589,645)
<u>\$ 469,075</u>	<u>\$ (12,552,465)</u>

\$ 2,774,129  
 7,347,503  
 764,832  
 155,702  
 288,671  
 271,727  
  
 627,046  
 317,348  
 (688,619)  
60,504  
\$ 11,918,843  
  
 \$ (633,622)  
  
36,397,338  
  
\$ 35,763,716

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FUND FINANCIAL STATEMENTS

## ACADIA PARISH POLICE JURY

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2004

ASSETS	General Fund	Parish Road Fund	Sales Tax Fund
Cash	\$ 211,115	\$ 3,126	\$ 387,305
Investments	1,830,844	600,030	7,559,583
Accrued interest receivable	-	-	13,275
Taxes receivable	650,374	583,073	-
Special assessments receivable	-	-	-
Other receivables	185,191	-	-
Inventories	-	31,513	-
Due from other governmental entities	283,386	161,775	394,424
Due from other funds	34,088	55,886	464,508
Total assets	<u>\$ 3,194,998</u>	<u>\$ 1,435,403</u>	<u>\$ 8,819,095</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Cash overdraft	\$ 70,789	\$ 13,336	\$ -
Accounts payable	259,089	141,987	199,426
Retainage payable	20,206	-	27,780
Other payables	39,093	-	-
Deferred revenue	7,894	26,500	-
Due to other governmental entities	175,031	-	-
Due to other funds	78,700	-	42,000
Total liabilities	<u>\$ 650,802</u>	<u>\$ 181,823</u>	<u>\$ 269,206</u>
FUND BALANCES			
Reserved for:			
Debt retirement	\$ -	\$ -	\$ 1,317,424
Incomplete contracts	208,944	-	429,205
Inventories	-	31,513	-
Unreserved - designated for:			
Landfill closure and postclosure care costs	-	-	1,598,402
Capital outlay	-	98,126	408,314
Emergency operations	-	-	133,370
Unreserved - undesignated (deficit), reported in:			
General Fund	2,335,252	-	-
Special Revenue Funds	-	1,123,941	4,663,174
Capital Projects Funds	-	-	-
Debt Service Funds	-	-	-
Total fund balances	<u>\$ 2,544,196</u>	<u>\$ 1,253,580</u>	<u>\$ 8,549,889</u>
Total liabilities and fund balances	<u>\$ 3,194,998</u>	<u>\$ 1,435,403</u>	<u>\$ 8,819,095</u>

See Notes to Financial Statements.

1% Sales Tax District No. 2 Fund	Sales Tax Road Bonds, Series 1996 Fund	Other Governmental Funds	Total Governmental Funds
\$ 140,580	\$ 58,017	\$ 740,636	\$ 1,540,779
1,327,304	1,450,000	7,901,673	20,669,434
-	11,642	-	24,917
-	-	1,556,686	2,790,133
-	-	12,582	12,582
-	-	-	185,191
-	-	-	31,513
105,928	-	225,246	1,170,759
120,000	-	134,866	809,348
<u>\$ 1,693,812</u>	<u>\$ 1,519,659</u>	<u>\$10,571,689</u>	<u>\$27,234,656</u>
\$ -	\$ -	\$ -	\$ 84,125
80,000	247,563	261,743	1,189,808
-	53,476	14,934	116,396
-	-	-	39,093
-	-	61,034	95,428
-	-	-	175,031
84,010	320,550	284,088	809,348
<u>\$ 164,010</u>	<u>\$ 621,589</u>	<u>\$ 621,799</u>	<u>\$ 2,509,229</u>
\$ -	\$ -	\$ 1,035,679	\$ 2,353,103
-	287,218	160,972	1,086,339
-	-	-	31,513
-	-	-	1,598,402
-	-	3,006	509,446
-	-	-	133,370
-	-	-	2,335,252
1,529,802	-	6,424,172	13,741,089
-	610,852	2,403,881	3,014,733
-	-	(77,820)	(77,820)
<u>\$ 1,529,802</u>	<u>\$ 898,070</u>	<u>\$ 9,949,890</u>	<u>\$24,725,427</u>
<u>\$ 1,693,812</u>	<u>\$ 1,519,659</u>	<u>\$10,571,689</u>	<u>\$27,234,656</u>



## ACADIA PARISH POLICE JURY

RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
December 31, 2004

Total fund balances - governmental funds \$ 24,725,427

The cost of capital assets (land, buildings, furniture and equipment, and infrastructure) purchased or constructed is reported as an expenditure in the governmental funds. The Statement of Net Assets includes these capital assets among the assets of the Police Jury as a whole. The cost of these capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$ 44,257,440	
Accumulated depreciation	<u>(15,897,767)</u>	28,359,673

Bond issue costs which are reported as expenditures in the year incurred in the governmental funds are deferred and amortized in the Statement of Activities.

Bond issue costs, net of accumulated amortization		123,961
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Some revenues were collected more than 60 days after year-end and therefore are not available soon enough to pay for current period expenditures.

Sales taxes		633,964
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Long-term liabilities applicable to the Police Jury's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Assets.

Bonds payable	\$(13,699,691)	
Accrued interest payable	(103,071)	
Compensated absences payable	(234,305)	
Landfill closure and postclosure care costs liability	<u>(4,042,242)</u>	<u>(18,079,309)</u>

Net assets of governmental activities		<u>\$ 35,763,716</u>
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See Notes to Financial Statements.

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## ACADIA PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

Year Ended December 31, 2004

	General Fund	Parish Road Fund	Sales Tax Fund
Revenues:			
Taxes	\$ 723,914	\$ 579,851	\$ 5,437,954
Intergovernmental	2,246,413	568,176	24,025
Charges for services	310,314	650	-
Licenses and permits	373,740	8,220	-
Fines and charges	56,422	-	-
Special assessments	-	-	-
Investment income	40,075	7,583	148,352
Miscellaneous	59,190	32,588	6,909
Total revenues	\$ 3,810,068	\$ 1,197,068	\$ 5,617,240
Expenditures:			
Current -			
General government	\$ 2,103,159	\$ -	\$ -
Public safety	745,920	-	-
Public works	-	1,564,609	-
Economic development and assistance	111,113	-	-
Health and welfare	15,663	-	2,530,938
Culture and recreation	-	-	-
Capital outlay	636,152	342,089	1,819,987
Intergovernmental	325,775	-	-
Debt service -			
Principal retirement	-	-	-
Interest coupons paid	-	-	-
Paying agent and other fees	-	-	-
Total expenditures	\$ 3,937,782	\$ 1,906,698	\$ 4,350,925
Excess (deficiency) of revenues over expenditures	\$ (127,714)	\$ (709,630)	\$ 1,266,315
Other financing sources (uses):			
Transfers in	\$ -	\$ 705,000	\$ 260,000
Transfers out	(33,100)	-	(3,419,546)
Proceeds from the sale of bonds	-	-	-
Proceeds from the sale of fixed assets	-	-	75,000
Total other financing sources (uses)	\$ (33,100)	\$ 705,000	\$ (3,084,546)
Net change in fund balances	\$ (160,814)	\$ (4,630)	\$ (1,818,231)
Fund balances, beginning	2,738,854	1,258,210	11,167,538
Prior period adjustments	(33,844)	-	(799,418)
Fund balances, ending	\$ 2,544,196	\$ 1,253,580	\$ 8,549,889

See Notes to Financial Statements.

## Exhibit E

1% Sales Tax District No. 2 Fund	Sales Tax Road Bonds, Series 1996 Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,842,587	\$ -	\$ 2,086,100	\$10,670,406
-	-	282,445	3,121,059
-	-	53,314	364,278
-	-	-	381,960
-	-	-	56,422
-	-	6,089	6,089
11,970	25,693	83,675	317,348
-	-	43,259	141,946
<u>\$ 1,854,557</u>	<u>\$ 25,693</u>	<u>\$ 2,554,882</u>	<u>\$15,059,508</u>
\$ -	\$ -	\$ -	\$ 2,103,159
-	-	-	745,920
-	81	-	1,564,690
-	-	111,766	222,879
88,873	-	939,344	3,574,818
-	-	1,043,568	1,043,568
456,554	2,050,508	910,213	6,215,503
-	-	-	325,775
-	-	1,710,338	1,710,338
-	-	558,622	558,622
-	-	36,390	36,390
<u>\$ 545,427</u>	<u>\$ 2,050,589</u>	<u>\$ 5,310,241</u>	<u>\$18,101,662</u>
<u>\$ 1,309,130</u>	<u>\$ (2,024,896)</u>	<u>\$ (2,755,359)</u>	<u>\$ (3,042,154)</u>
\$ -	\$ 3,159,546	\$ 2,240,315	\$ 6,364,861
(1,615,000)	(1,050,000)	(247,215)	(6,364,861)
-	-	2,940,000	2,940,000
-	-	1,538,560	1,613,560
<u>\$ (1,615,000)</u>	<u>\$ 2,109,546</u>	<u>\$ 6,471,660</u>	<u>\$ 4,553,560</u>
\$ (305,870)	\$ 84,650	\$ 3,716,301	\$ 1,511,406
2,107,428	813,420	6,233,589	24,319,039
(271,756)	-	-	(1,105,018)
<u>\$ 1,529,802</u>	<u>\$ 898,070</u>	<u>\$ 9,949,890</u>	<u>\$24,725,427</u>

## ACADIA PARISH POLICE JURY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 Year Ended December 31, 2004

Net change in fund balances - total governmental funds	\$ 1,511,406
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense.

Depreciation expense	\$(1,848,697)	
Capital outlay expenditures	3,784,745	1,936,048

The proceeds from the sale of capital assets are reported as revenues in the governmental funds. However, the net book value of assets sold and traded less the trade-in value received is offset against the sale proceeds in the Statement of Activities.

(2,302,179)

In the Statement of Activities some expenses do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Increase in accrued interest payable.	\$ (13,096)	
Increase in landfill closure and postclosure care costs liability.	(82,885)	
Increase in accrued compensated absences.	(661)	(96,642)

Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued whereas these amounts are deferred and amortized in the Statement of Activities.

Bond issue costs amortized	18,463
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(continued)

ACADIA PARISH POLICE JURY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES (CONTINUED)  
Year Ended December 31, 2004

Because some revenues will not be collected for several months after year-end, they are not considered "available" revenues in the governmental funds.

Sales taxes	(471,056)
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Bond proceeds	\$ (2,940,000)	
Principal payments	<u>1,710,338</u>	<u>(1,229,662)</u>

Change in net assets of governmental activities	<u>\$ (633,622)</u>
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See Notes to Financial Statements.

ACADIA PARISH POLICE JURY  
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Except for the omission of all component units from the financial statements, as more fully described below, the accompanying financial statements of the Acadia Parish Police Jury (the "Police Jury") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Police Jury are described below.

Financial reporting entity:

A financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary government:

The Police Jury is the governing authority for Acadia Parish (the "Parish") and is a political subdivision of the State of Louisiana. The Police Jury is governed by eight jurors representing the various districts within the Parish. The jurors serve four-year terms which expire in January 2008.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of these are the power to enact ordinances, set policy, and establish programs for the benefit of the Parish; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed of the Parish. Funding to accomplish these tasks is provided by property taxes, beer and alcoholic beverage permits, State revenue sharing, and various other State and Federal grants.

In accomplishing its objectives, the Police Jury also has the authority to create special districts (component units) within the Parish. The districts perform specialized functions, such as fire protection and drainage.

## NOTES TO FINANCIAL STATEMENTS

### Component units:

GASB Statement No. 14, *The Financial Reporting Entity*, establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. A potential component unit must have separate corporate powers that distinguish it as being legally separate from the primary government. These include the right to incur its own debt; levy its own taxes and charges; expropriate property in its own name; sue and be sued in its own name without recourse to a State or local government; and the right to buy, sell, lease, and mortgage property in its own name.
2. The primary government must be financially accountable for a potential component unit. Financial accountability may exist as a result of the primary government appointing a voting majority of the potential component unit's governing body; their ability to impose their will on the potential component unit by significantly influencing the programs, projects, activities, or level of services performed or provided by the potential component unit; or the existence of a financial benefit or burden. In addition, financial accountability may also exist as a result of a potential component unit being fiscally dependent on the primary government.

In some instances, the potential component unit should be included in the reporting entity (even when the criteria in No. 2 above are not met), if exclusion would render the reporting entity's financial statements incomplete or misleading.

All component units which are required to be included in the reporting entity based on current standards have not been included in the basic financial statements of the Police Jury. Complete financial statements of the component units of the Police Jury can be obtained from the Office of the Legislative Auditor of the State of Louisiana, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

### Basis of presentation:

The Police Jury uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The minimum number of funds maintained by the Police Jury is consistent with legal and managerial requirements.



## NOTES TO FINANCIAL STATEMENTS

A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the restrictions, if any, on the spending activities.

The basic financial statements of the Police Jury include both government-wide (reporting the primary government of the Police Jury as a whole) and fund financial statements (reporting the Police Jury's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Police Jury's public safety; culture and recreation; public works; and general administrative services are classified as governmental activities. The Police Jury does not have any business-type activities.

*Government-wide financial statements.* The government-wide financial statements include a *Statement of Net Assets* and *Statement of Activities*. These statements report financial information about the primary government of the Police Jury. In the process of aggregating data for the *Statement of Net Assets* and the *Statement of Activities* some amounts reported as interfund activity and balances in the fund financial statements were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column of the government-wide financial statements.

In the *Statement of Net Assets* the governmental activities column (1) is presented on a consolidated basis by column, and (2) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Police Jury's net assets are reported in three parts: (1) *invested in capital assets, net of related debt* - consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets; (2) *restricted net assets* - consisting of net assets with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation; and (3) *unrestricted net assets* - consisting of all other net assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted". The Police Jury first utilizes restricted resources to finance qualifying activities.

## NOTES TO FINANCIAL STATEMENTS

The *Statement of Activities* reports the expenses of a given function offset by program revenues, directly connected with the functional program. A "function" is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses associated with a distinct functional activity. Program revenues includes: (1) *charges for services* which includes fees; fines and forfeitures; and other charges to users of the Police Jury's services; (2) *operating grants and contributions* which finance annual operating activities; and (3) *capital grants and contributions* which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

The Police Jury reports all direct expenses by function in the *Statement of Activities*. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included as a direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the *Statement of Activities*. An administrative service fee is charged by the General Fund to the other operating funds to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.). An elimination is made to remove the service fee transactions from the reported revenue and expense.

This government-wide focus is more on the sustainability of the Police Jury as an entity and the change in the Police Jury's net assets resulting from the current year's activities.

*Fund financial statements.* Fund financial statements are provided for governmental funds. The emphasis of fund financial statements is on major individual governmental funds, each reported in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Police Jury reports the following major governmental funds:

*General Fund* - To account for all financial resources traditionally associated with governments that are not required to be accounted for in another fund.

*Parish Road Fund* - To account for costs associated with constructing and maintaining the road system within Acadia Parish.

*Sales Tax Fund* - To account for the collection and disbursement of the Police Jury's 1% parishwide sales and use tax levied which is dedicated to covering the costs of constructing, acquiring, improving, maintaining, and operating solid waste collection and disposal facilities.

## NOTES TO FINANCIAL STATEMENTS

*1% Sales Tax District No. 2 Fund* - To account for the collection and disbursement of the Police Jury's 1% sales and use tax levied which is dedicated to covering the costs of repairing, constructing, improving, and maintaining roads and bridges in the unincorporated areas of Parish.

*Sales Tax Road Bonds, Series 1996 Fund* - To account for costs associated with constructing and improving roads within the Parish.

The emphasis in the fund financial statements is on the major funds. GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures) for the determination of major funds.

### Basis of accounting - measurement focus:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements; measurement focus refers to what is being measured. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

### Government-wide financial statements -

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

### Fund financial statements -

The governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Their reported fund balance (net current assets) is considered a measure of "available spending resources." Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spending resources" during a period. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within

## NOTES TO FINANCIAL STATEMENTS

the current period or soon enough thereafter to be used to pay liabilities of the current period. Taxpayer-assessed income, gross receipts, and sales and use taxes are considered measurable when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. Expenditure-driven grant revenues are recorded when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued because they do not vest or accumulate; and (2) principal and interest on general long-term debt which is recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources in governmental funds.

Major revenue sources susceptible to accrual include: sales and use taxes, property taxes, franchise taxes, intergovernmental revenues, and investment income. In general other revenues are not susceptible to accrual because they are not generally measurable until received in cash.

### Budgets and budgetary accounting:

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget is employed as a management control device during the year that assists its users in financial activity analysis. All budget appropriations lapse at year-end.

### Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### Deposits:

Under State law, the Police Jury may invest in United States bonds; treasury notes or certificates; time certificates of deposit of State banks having their principal office in the State of Louisiana; or any other federally insured investment. The Police Jury may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount. In accordance with GASB Statement No. 31,

## NOTES TO FINANCIAL STATEMENTS

*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments meeting the criteria specified in the Statement are stated at fair value. Investments which do not meet the requirements are stated at cost. These investments include amounts invested in the Louisiana Asset Management Pool (LAMP). The reported value of the pool is the same as the fair value of the pool shares.

### Grants receivable:

Federal and State administered grants receivable consist of receivables for the reimbursement of expenditures under various programs and grants. All amounts are expected to be collected in full within the next year; therefore, no allowance for doubtful accounts has been established.

### Interfund receivables/payables:

During the course of operations, numerous transactions occur between individual funds for goods and services rendered. These receivables and payables are classified as due from other funds or due to other funds in the fund financial statements. Short-term interfund loans are classified as interfund receivables/payables in the fund financial statements.

### Inventories:

Inventories in governmental funds consist of reclaimed asphalt pavement held for consumption and are stated on a first-in, first-out (FIFO) basis. They are reported at cost which is recorded as an expenditure at the time the inventory is used.

### Capital assets and depreciation:

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

#### Government-wide financial statements -

The Police Jury's property, equipment, and infrastructure with useful lives of more than one year are stated at historical costs and comprehensively reported in the government-wide financial statements as capital assets. The Police Jury maintains a threshold level of \$1,000, or more for capitalizing capital assets. Donated assets are stated at fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

## NOTES TO FINANCIAL STATEMENTS

Buildings and improvements	5 - 40 years
Machinery and equipment	5 - 15 years
Books and periodicals	6 years
Improvements, other than buildings	25 years
Infrastructure	20 - 50 years

### Fund financial statements -

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the government fund upon acquisition.

### Deferred revenues:

Deferred revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the Police Jury has a legal claim to the resources, the liability for deferred revenues is removed and the revenues are recognized.

### Long-term debt:

#### Government-wide financial statements -

In the government-wide financial statements, outstanding debt is reported as liabilities and bond issuance costs are capitalized. Bond issue costs are amortized using the straight-line method over the life of the related bond issue, which is not materially different from the effective interest method.

#### Fund financial statements -

The governmental fund financial statements recognize the proceeds of debt as other financing sources of the current period. Issuance costs are reported as expenditures. Issuance costs, even if withheld from the actual net bond proceeds received, are reported as debt service expenditures.

### Equity classifications:

#### Government-wide financial statements -

The Police Jury's net assets are reported in three parts: (1) *invested in capital assets, net of related debt*; (2) *restricted net assets*; and (3) *unrestricted net assets*.

## NOTES TO FINANCIAL STATEMENTS

### Fund financial statements -

Governmental fund equity is classified as fund balance. In the fund financial statements, reservations of fund balance represent amounts that are not appropriable or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

### Interfund transactions

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Legally authorized interfund transactions, except quasi-external transactions and reimbursements, are treated as transfers and are included in the results of operations.

### Impairment of long-lived assets:

In August 2001, the Financial Accounting Standards Board (FASB) issued Statement No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. FASB Statement No. 144 requires that a single accounting model be used for long-lived assets to be disposed of by sales, and broadens the presentation of discontinued operations to include more disposal transactions. The Statement requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. A review of such assets of the Police Jury has not indicated any material effect on the Police Jury's financial position or results of operations.

## Note 2. Property Taxes

### Government-wide financial statements -

Property taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

### Fund financial statements -

Property taxes attach as an enforceable lien on property on January 1st. Taxes are levied on September 1st and are due by December 31st. The taxes are generally collected in December of the current year and January and February of the ensuing year. Property tax revenues are recognized when levied to the extent that they result in current receivables.

## NOTES TO FINANCIAL STATEMENTS

The Police Jury levies taxes at 18.04 mills per dollar of assessed valuation of property. For the year ended December 31, 2004, the assessed valuation of property amounted to \$180,701,030. A summary of tax millage dedication is as follows:

General tax	6.37 Mills
Road maintenance tax	3.18 Mills
Library maintenance tax	4.25 Mills
Health Unit maintenance tax	2.12 Mills
Cooperative Extension Facility tax	<u>2.12 Mills</u>
Total tax mills	<u>18.04 Mills</u>

Total property taxes levied during 2004, exclusive of homestead exemptions, were \$11,466,753. Property taxes receivable at December 31, 2004 totaled \$2,790,133. Historically, virtually all property taxes receivable are collected since they are secured by the applicable property; therefore, no allowance for doubtful accounts has been established.

### Note 3. Deposits

At December 31, 2004, the carrying value of the Police Jury's cash deposits, including demand deposits and certificates of deposit, totaled \$18,184,018, and the bank balance totaled \$18,215,321. Of the bank balance, \$800,000 was covered by Federal Deposit Insurance Corporation (FDIC) coverage and \$17,415,321 was covered by collateral held by the custodial bank in the bank's name (Category 3).

The Police Jury participates in the Louisiana Asset Management Pool (LAMP). LAMP is an investment pool established as a cooperative endeavor to enable public entities of the State of Louisiana to aggregate funds for investment; LAMP is not registered with the Securities and Exchange Commission (SEC) as an investment company. LAMP is operated by a non-profit corporation, Louisiana Asset Management Pool, Inc., whose officers include the President, normally the Treasurer of the State of Louisiana, and a Secretary/Treasurer who is charged with the day-to-day operations of the program. LAMP, Inc. is governed by a Board of Directors consisting of nine to fourteen members elected each year by the participating entities.

LAMP is intended to improve administrative efficiency and increase investment yield of participating public entities. LAMP's portfolio securities are valued at market value even though the amortized cost method is permitted by Rule 2a-7 of the Investment Company Act of 1940, as amended, which governs registered money market funds, although LAMP is not a money market fund and has no obligation to conform to this rule. The investment objectives of LAMP are to preserve capital and protect principal, maintain sufficient liquidity, provide safety of funds and investments, and maximize the return on the pool. LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that LAMP will be able to achieve this objective.



## NOTES TO FINANCIAL STATEMENTS

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the fair value of the position of the pool is the same as the value of the pool shares.

The Police Jury has \$1,797,070 invested in LAMP at December 31, 2004. Standard & Poor's AAAM rating on LAMP indicates that safety of invested principal is excellent and there is a superior capacity to maintain principal value and limit exposure to loss.

The Police Jury's investments are categorized as either (1) insured or registered for which the securities are held by the government or its agent in the government's name; (2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the government's name; or (3) uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agent but not in the government's name. \$500,000 of the U.S. Government Agency Securities is covered by Securities Investor Protection Corporation (SIPC) coverage (Category 1) and the remaining balance of \$1,645,000 is considered Category 3.

	<u>Fair Value</u>
Investments held by broker-dealers:	
U.S. Government Agency Securities	\$ 2,145,000
Investment in Louisiana Asset Management Pool	<u>1,797,070</u>
Total investments held by broker-dealers	<u>\$ 3,942,070</u>

### Note 4. Due From Other Governmental Entities

Due from other governmental entities at December 31, 2004 consisted of the following:

Fund financial statements:	
State revenue sharing receivable	\$ 341,532
Sales and use taxes receivable	489,196
Various grant funds receivable	107,824
Severance/timber taxes receivable	6,666
FEMA reimbursements receivable	41,473
State reimbursements receivable	5,439
Parish transportation fund receivable	71,847
Royalty road fund receivable	6,064
Other receivables	1,700
Enterprise Fund payments receivable	<u>99,018</u>
Total due from other governmental entities	<u>\$1,170,759</u>

# NOTES TO FINANCIAL STATEMENTS

## Government-wide financial statements:

Total amount reported in the fund financial statements from above	\$1,170,759
Additional sales and use taxes due from the Acadia Parish School Board	<u>633,964</u>
Total due from other governmental entities	<u>\$1,804,723</u>

## Note 5. Interfund Balances

Interfund balances reported in the fund financial statements at December 31, 2004 consisted of the following individual fund receivables and payables:

	Interfund Receivables	Interfund Payables
General Fund	\$ 34,088	\$ 78,700
Parish Road Fund	55,886	-
Sales Tax Fund	464,508	42,000
1% Sales Tax District No. 2 Fund	120,000	84,010
Sales Tax Road Bonds, Series 1996 Fund	-	320,550
Other Governmental Funds	<u>134,866</u>	<u>284,088</u>
	<u>\$ 809,348</u>	<u>\$ 809,348</u>

All interfund balances resulted from the time lag between the dates that (1) reimbursable expenditures occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made.

## Note 6. Capital Assets and Depreciation

Capital assets activity for the year ended December 31, 2004 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated -				
Land	\$ 945,369	\$ 579,500	\$ 257,100	\$ 1,267,769
Construction in progress	<u>49,775</u>	<u>1,850,872</u>	<u>1,006,855</u>	<u>893,792</u>
Total capital assets not being depreciated	<u>\$ 995,144</u>	<u>\$ 2,430,372</u>	<u>\$ 1,263,955</u>	<u>\$ 2,161,561</u>

(continued)

# NOTES TO FINANCIAL STATEMENTS

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated -				
Buildings and improvements	\$11,142,249	\$ 734,692	\$ 2,303,168	\$ 9,573,773
Machinery and equipment	4,924,253	1,228,282	496,106	5,656,429
Books and periodicals	1,466,520	68,630	62,568	1,472,582
Improvements, other than buildings	399,879	-	-	399,879
Infrastructure	<u>24,663,592</u>	<u>329,624</u>	<u>-</u>	<u>24,993,216</u>
Total capital assets being depreciated	<u>\$42,596,493</u>	<u>\$ 2,361,228</u>	<u>\$ 2,861,842</u>	<u>\$42,095,879</u>
Less accumulated depreciation for -				
Buildings and improvements	\$ 3,392,384	\$ 278,432	\$ 496,709	\$ 3,174,107
Machinery and equipment	2,844,104	513,888	257,484	3,100,508
Books and periodicals	1,254,564	71,377	62,568	1,263,373
Improvements, other than buildings	362,197	1,551	-	363,748
Infrastructure	<u>7,012,582</u>	<u>983,449</u>	<u>-</u>	<u>7,996,031</u>
Total accumulated depreciation	<u>\$14,865,831</u>	<u>\$ 1,848,697</u>	<u>\$ 816,761</u>	<u>\$15,897,767</u>
Total capital assets being depreciated, net	<u>\$27,730,662</u>	<u>\$ 512,531</u>	<u>\$ 2,045,081</u>	<u>\$26,198,112</u>
Governmental activities capital assets, net	<u>\$28,725,806</u>	<u>\$ 2,942,903</u>	<u>\$ 3,309,036</u>	<u>\$28,359,673</u>

Depreciation expense for the year ended December 31, 2004 totaled \$1,848,697, and was charged to the following functions of the governmental activities:

General government:	
Judicial	\$ 34,609
Finance and administration	7,757
Other	12,842
Public safety	29,121
Public works	1,178,180
Economic development and assistance	81,657
Health and welfare	282,473
Culture and recreation	<u>222,058</u>
Total depreciation expense	<u>\$ 1,848,697</u>

## NOTES TO FINANCIAL STATEMENTS

### Note 7. Dedication of Sales and Use Tax Proceeds

The proceeds of the 1% sales and use tax are accounted for in the *Sales Tax Fund* and are dedicated to the following purposes:

Paying the cost of constructing, acquiring, improving, maintaining, and operating solid waste collection and disposal facilities, including the payment of the cost of closing garbage dumps previously owned.

The proceeds of the 1997 1% sales and use tax are accounted for in the 1% *Sales Tax District No. 2 Fund* and are dedicated to the following purposes:

Repairing, constructing, improving, and maintaining Parish roads and bridges in the unincorporated areas of the Parish, including incidental drainage in connection therewith and acquiring equipment thereof.

### Note 8. Operating Leases

The Police Jury leases property and buildings to various entities. These leases are either on a month-to-month basis with the option to cancel the lease available to both parties at any time without recourse or they expired during the current year and were not renewed. Operating lease revenues for the year ended December 31, 2004 totaled \$94,063.

The Police Jury has entered into a number of operating leases which contain cancellation provisions and are subject to annual appropriations. These leases are for copy and postage machines and support governmental activities. Operating lease expenditures for the year ended December 31, 2004 totaled \$50,712.

# NOTES TO FINANCIAL STATEMENTS

## Note 9. Long-Term Liabilities

A summary of changes in long-term liabilities reported in the government-wide financial statements for all governmental activities for the year ended December 31, 2004 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
Governmental activities:					
Bonds payable -					
Sales Tax Road					
Bonds, Series					
1996	\$ 3,580,000	\$ -	\$ 360,000	\$ 3,220,000	\$ 385,000
Paving					
Certificates,					
Series 1999	80,029	-	13,338	66,691	13,338
Certificates of					
Indebtedness,					
Series 1999	160,000	-	160,000	-	-
Sales Tax Road					
Bonds, Series					
2001	4,460,000	-	240,000	4,220,000	255,000
Refunding					
Certificates					
of Indebtedness,					
Series 2002	3,500,000	-	826,000	2,674,000	857,000
Refunding Bonds,					
Series 2003	690,000	-	85,000	605,000	90,000
Correctional Center					
Bonds, Series 2004	-	2,640,000	-	2,640,000	125,000
Certificates of					
Indebtedness,					
Series 2004	-	300,000	26,000	274,000	27,000
Total bonds					
payable	<u>\$12,470,029</u>	<u>\$ 2,940,000</u>	<u>\$ 1,710,338</u>	<u>\$13,699,691</u>	<u>\$ 1,752,338</u>
Other liabilities:					
Compensated absences	\$ 233,644	\$ 124,579	\$ 123,918	\$ 234,305	\$ 119,170
Landfill closure					
and post-closure					
care costs					
liability	<u>3,959,357</u>	<u>82,885</u>	<u>-</u>	<u>4,042,242</u>	<u>-</u>
Total other					
liabilities	<u>\$ 4,193,001</u>	<u>\$ 207,464</u>	<u>\$ 123,918</u>	<u>\$ 4,276,547</u>	<u>\$ 119,170</u>
Total government					
activities					
long-term					
liabilities	<u>\$16,663,030</u>	<u>\$ 3,147,464</u>	<u>\$ 1,834,256</u>	<u>\$17,976,238</u>	<u>\$ 1,871,508</u>

# NOTES TO FINANCIAL STATEMENTS

At December 31, 2004, annual requirements to maturity for principal and interest for all long-term liabilities outstanding are follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 1,752,338	\$ 600,459	\$ 2,352,797
2006	1,832,338	528,230	2,360,568
2007	1,916,338	450,411	2,366,749
2008	1,052,338	385,839	1,438,177
2009	1,108,339	335,551	1,443,890
2010-2014	4,043,000	977,280	5,020,280
2015-2019	<u>1,995,000</u>	<u>232,820</u>	<u>2,227,820</u>
	<u>\$13,699,691</u>	<u>\$ 3,510,590</u>	<u>\$17,210,281</u>

Interest costs incurred and charged to expense in the government-wide financial statements for the year ended December 31, 2004 totaled \$589,645.

Bonds payable at December 31, 2004 consisted of the following:

\$5,600,000 Sales Tax Road Bonds, Series 1996 due in annual installments of \$240,000 to \$545,000, through November 1, 2011; at interest rates of 4.75% to 8.00% (to be retired from the proceeds of the 1% sales and use tax).	\$ 3,220,000
\$133,381 Paving Certificates, Series 1999 due in annual installments of \$13,338, through September 1, 2009; interest rate of 5.00% (to be retired from special assessments levied).	66,691
\$5,000,000 Sales Tax Road Bonds, Series 2001 due in annual installments of \$100,000 to \$460,000, through November 1, 2016; interest rates of 4.40% to 5.40% (to be retired from the proceeds of the 1% sales and use tax).	4,220,000
\$3,905,000 Refunding Certificates of Indebtedness, Series 2002 due in annual installments of \$405,000 to \$925,000, through May 1, 2007; interest rates of 2.10% to 3.85% (to be retired from the proceeds of the 1% sales and use tax).	2,674,000

(continued)

# NOTES TO FINANCIAL STATEMENTS

\$690,000 Refunding Bonds, Series 2003 due in annual installments of \$85,000 to \$110,000, through March 10, 2010; interest rate of 3.40% (to be retired from the proceeds of property taxes).	605,000
\$2,640,000 Correctional Center Bonds, Series 2004, due in annual installments of \$125,000 to \$240,000, through October 10, 2019; interest rates of 2.75% to 5.10% (to be retired from excess annual revenues).	2,640,000
\$300,000 Certificates of Indebtedness, Series 2004, due in annual installments of \$26,000 to \$35,000, through February 1, 2014; interest rate of 3.90% (to be retired from the proceeds of the % sales and use tax).	<u>274,000</u>
	<u>\$13,699,691</u>

Compensated absences have typically been liquidated by the following governmental funds: General Fund, Parish Road Fund, Library Maintenance Fund, Sales Tax Fund, and Health Unit Maintenance Fund.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance and flow of funds through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. The Police Jury is substantially in compliance with all such significant limitations and restrictions at December 31, 2004.

## Note 10. Defeasance of Debt

In prior years, the Police Jury defeased various debt issues by creating separate irrevocable trust funds. New debt was issued and the proceeds used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the financial statements. At December 31, 2004, the amount of defeased debt outstanding but removed from the financial statements for these prior year defeasances amounted to \$3,745,000.

# NOTES TO FINANCIAL STATEMENTS

## Note 11. Interfund Transfers

Interfund transfers reported in the fund financial statements for the year ended December 31, 2004 consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 33,100
Parish Road Fund	705,000	-
Sales Tax Fund	260,000	3,419,546
1% Sales Tax District No. 2 Fund	-	1,615,000
Sales Tax Road Bonds, Series 1996 Fund	3,159,546	1,050,000
Other Governmental Funds	<u>2,240,315</u>	<u>247,215</u>
	<u>\$6,364,861</u>	<u>\$6,364,861</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.



# NOTES TO FINANCIAL STATEMENTS

## Note 12. Intergovernmental Revenues

Intergovernmental revenues for the year ended December 31, 2004 were as follows:

	General Fund	Parish Road Fund	Sales Tax Fund	Other Governmental Funds
State Rural Development Grants	\$ 61,439	\$ -	\$ -	\$ -
Emergency Shelter Grants	15,857	-	-	-
Federal Aviation Administration Grant	393,816	-	-	-
Hazardous Mitigation Grant	5,625	-	-	-
State revenue sharing	89,679	83,864	-	167,991
Civil defense program	21,670	-	-	-
Department of Health and Hospitals Grant	-	-	-	57,845
FEMA reimbursements (Hurricane Lili)	-	-	21,199	-
State reimbursements (Hurricane Lili)	-	-	2,826	-
State library grant	-	-	-	41,609
State donation of RAP	-	12,467	-	-
Alcoholic beverage tax	9,380	-	-	-
Severance tax	750,000	-	-	-
Severance/timber tax	14,832	-	-	-
Video poker machine fees	285,512	-	-	-
Fire insurance premium	155,702	-	-	-
Royalty road fund	-	26,556	-	-
Parish transportation fund	-	445,289	-	-
Office of Emergency Preparedness Grants	259,361	-	-	-
Miscellaneous State Aid	2,727	-	-	-
Payment in lieu of taxes:				
District Attorney	12,000	-	-	-
Enterprise Fund payments	168,813	-	-	-
State mosquito control grant	-	-	-	15,000
	<u>\$2,246,413</u>	<u>\$568,176</u>	<u>\$ 24,025</u>	<u>\$ 282,445</u>

## NOTES TO FINANCIAL STATEMENTS

### Note 13. Stewardship, Compliance, and Accountability

At December 31, 2004, there is an accumulated deficit fund equity balance in the Sales Tax Road Bonds, Series 1996 Sinking Fund (debt service fund) of \$83,954.

### Note 14. Defined Benefit Pension Plan

#### Parochial Employees' Retirement System

##### Plan description:

Substantially all employees of the Police Jury are members of the Parochial Employees' Retirement System of Louisiana (the "System"), a cost-sharing, multiple-employer public employee retirement system (PERS), controlled and administered by a separate Board of Trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the Police Jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part by the Police Jury and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final compensation multiplied by the employee's years of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to 1% of final compensation, plus \$24, for each year of service credited prior to January 1, 1980, and 3% of final compensation for each year of service credited after January 1, 1980. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated previously and who do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by State statute.

The Parochial Employees' Retirement System issues a publicly available report that includes financial statements and required supplemental information. That report may be obtained by writing to Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619.

## NOTES TO FINANCIAL STATEMENTS

### Funding policy:

Contributions to the System include  $\frac{1}{4}$  of 1% of the amount of the tax shown to be collectible by the tax roll of Parish. These tax dollars are divided between Plans A and B, based proportionately on the salaries of the active members of each Plan.

Under Plan A, members are required by State statute to contribute 9.50% of their annual covered salary and the Police Jury is required to contribute at an actuarially determined rate. The current employer contribution rate is 11.75% of annual covered payroll. The contribution requirements of Plan members and the Police Jury are established and may be amended by the System's Board of Trustees. The Police Jury's contributions to the System under Plan A for the years ended December 31, 2004, 2003, and 2002 were \$238,163, \$140,990, and \$135,171, respectively, equal to the required contributions for each year.

### Note 15. Compensated Absences

Substantially all employees of the Police Jury earn from 5 to 20 days vacation leave each year, depending on length of service. Vacation leave that is not taken is automatically converted into sick leave at the end of each year. Upon voluntary resignation or retirement, an employee may be compensated for accumulated vacation leave not to exceed 20 days.

Sick leave is credited to permanent full-time employees at the rate of one day for each month of continuous employment. Permanent part-time employees accumulate sick leave on a pro-rata basis. Sick leave can be accumulated without limitation. Upon voluntary resignation or retirement, an employee may be compensated for accumulated sick leave not to exceed 60 days.

In the government-wide financial statements, the Police Jury accrues accumulated unpaid sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is estimated based on prior experience; the remainder is reported as non-current. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, no compensated absences liability is recorded in the governmental fund financial statements.

### Note 16. Insurance Risk

The Police Jury is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. At December 31, 2004, the Police Jury did not have general liability or property insurance.

## NOTES TO FINANCIAL STATEMENTS

### Note 17. Contingent Liabilities

The Police Jury is a defendant in various lawsuits wherein substantial amounts are claimed. Management and counsel for the Police Jury are unable to reasonably estimate at this time the amount of liability which may be incurred if adverse decisions are rendered.

The Louisiana Constitution prohibits seizures of a political subdivision's property and provides that no judgment against such a body can be paid until funds are appropriated for that purpose. The Police Jury's legal counsel expects the Court to limit the scope of the plaintiff's inquiry into the Parish's finances.

In the normal course of operations, the Police Jury receives grant funds from various Federal and State agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

### Note 18. Acadia Parish Solid Waste Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require that the Police Jury place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. In addition to operating expenses relating to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The operating expenses related to current activities of the landfill are accounted for in a governmental fund. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs is \$4,042,243 at December 31, 2004, which represents the cumulative amount reported to date based on 24.79% usage (filled) of the landfill. It is estimated that an additional \$12,266,757 will be recognized as closure and postclosure care costs between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2059), which represents an estimated remaining life of 56 years. The estimated total current cost of the landfill closure and postclosure care of \$16,309,000 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired at December 31, 2004. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

On May 12, 2005, subsequent to year-end, the Police Jury executed a formal trust agreement to meet the Department of Environmental Quality regulations, whereby \$5,800,000 was placed in the trust to maintain financial assurance for the closure and postclosure estimated costs.

# NOTES TO FINANCIAL STATEMENTS

## Note 19. Commitments

At December 31, 2004, the Police Jury had entered into contracts for construction and had accumulated expenditures for those contracts as follows:

<u>Project</u>	<u>Contract Amount</u>	<u>Expended to Date</u>	<u>Remaining Commitment</u>
Courthouse electrical repairs	\$ 232,102	\$ 23,158	\$ 208,944
Extension of Clay Liner at Landfill	984,797	555,592	429,205
Indigo/Morrow Road and Bridge Repairs	467,609	-	467,609
Ohlenforst Bridge Repairs	59,724	-	59,724
Rice Arena Roof Repairs	66,228	42,497	23,731
Surface Treatment Program	<u>916,856</u>	<u>717,719</u>	<u>199,137</u>
	<u>\$2,727,316</u>	<u>\$1,338,966</u>	<u>\$ 1,388,350</u>

## Note 20. Prior Period Adjustments

The Police Jury omitted some capital assets and included some that were already reported, in error. These errors were detected in the current year. The net effect of these errors was to understate ending net assets at December 31, 2003 by \$2,033,445, and to overstate the change in net assets for the year ended December 31, 2003 by \$57,500. This error had no effect on the fund financial statements.

Also, in the prior year, certain revenues were erroneously reported in the financial statements. The net effect of these errors was to overstate ending fund balances at December 31, 2003 by \$1,105,018, and to overstate the net change in fund balances for the year ended December 31, 2003 by the same amount. This error had no effect on the government-wide financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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BUDGETARY COMPARISON SCHEDULES

GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS  
WITH LEGALLY ADOPTED BUDGETS

*GENERAL FUND* - To account for all financial resources traditionally associated with governments that are not required to be accounted for in another fund.

*MAJOR SPECIAL REVENUE FUNDS* - To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

*PARISH ROAD FUND* - To account for costs associated with constructing and maintaining the road system within Acadia Parish.

*SALES TAX FUND* - To account for the collection and disbursement of the Police Jury's 1% parishwide sales and use tax levied which is dedicated to covering the costs of constructing, acquiring, improving, maintaining, and operating solid waste collection and disposal facilities.

*1% SALES TAX DISTRICT NO. 2 FUND* - To account for the collection and disbursement of the Police Jury's 1% sales and use tax levied which is dedicated to covering the costs of repairing, constructing, improving, and maintaining roads and bridges in the unincorporated areas of Acadia Parish.



ACADIA PARISH POLICE JURY  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes -				
Ad valorem	\$ 597,500	\$ 597,500	\$ 586,490	\$ (11,010)
Franchise	65,000	46,686	46,687	1
Total taxes	<u>\$ 662,500</u>	<u>\$ 644,186</u>	<u>\$ 633,177</u>	<u>\$ (11,009)</u>
Intergovernmental -				
State Rural				
Development Grants	\$ 248,365	\$ 61,440	\$ 61,439	\$ (1)
Emergency Shelter				
Grants	12,000	15,863	15,857	(6)
Federal Aviation				
Administration				
Grant	200,000	352,400	355,376	2,976
Hazardous Mitigation				
Grant	93,000	8,601	5,625	(2,976)
State revenue sharing	65,000	89,100	89,153	53
Civil defense program	15,500	16,735	21,670	4,935
Alcoholic beverage				
tax	11,000	9,380	9,380	-
Severance tax	750,000	750,000	750,000	-
Severance/timber tax	175,000	8,166	8,166	-
Video poker machine				
fees	270,000	290,000	286,332	(3,668)
Fire insurance				
premium	144,702	154,702	155,702	1,000
Office of Emergency				
Preparedness				
Grants	-	229,674	224,257	(5,417)
Miscellaneous State				
Aid	800	10,620	10,621	1
Payment in lieu of				
taxes - District				
Attorney	12,000	12,000	12,000	-
District Attorney -				
Assistance Grant	6,718	-	-	-
Enterprise Fund				
payments	54,000	79,690	79,690	-
Total				
intergovern-	<u>\$ 2,058,085</u>	<u>\$ 2,088,371</u>	<u>\$ 2,085,268</u>	<u>\$ (3,103)</u>
mental				
Charges for services	<u>\$ 310,028</u>	<u>\$ 309,734</u>	<u>\$ 310,314</u>	<u>\$ 580</u>
Licenses and permits	<u>\$ 320,460</u>	<u>\$ 383,705</u>	<u>\$ 373,740</u>	<u>\$ (9,965)</u>

(continued)

ACADIA PARISH POLICE JURY  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fines and charges	\$ 73,000	\$ 56,423	\$ 56,422	\$ (1)
Investment income	\$ 70,000	\$ 38,351	\$ 47,806	\$ 9,455
Miscellaneous	\$ 60,779	\$ 61,928	\$ 59,197	\$ (2,731)
Total revenues	\$ 3,554,852	\$ 3,582,698	\$ 3,565,924	\$ (16,774)
Expenditures:				
Current -				
General government:				
Legislative	\$ 200,995	\$ 232,428	\$ 260,612	\$ (28,184)
Judicial	875,607	764,574	762,611	1,963
Elections	54,781	50,108	50,136	(28)
Finance and administrative	367,204	352,178	333,434	18,744
Other general government	392,478	403,284	419,491	(16,207)
Total general government	\$ 1,891,065	\$ 1,802,572	\$ 1,826,284	\$ (23,712)
Public safety	\$ 746,529	\$ 753,461	\$ 767,444	\$ (13,983)
Economic development and assistance	\$ 79,234	\$ 156,392	\$ 156,060	\$ 332
Health and welfare	\$ 12,200	\$ 15,664	\$ 15,663	\$ 1
Capital outlay	\$ 770,160	\$ 619,579	\$ 838,970	\$ (219,391)
Intergovernmental:				
Transfers to subrecipients:				
State Rural Development Grants	\$ 12,500	\$ 276,691	\$ 325,775	\$ (49,084)
Total expenditures	\$ 3,511,688	\$ 3,624,359	\$ 3,930,196	\$ (305,837)

(continued)

ACADIA PARISH POLICE JURY

BUDGETARY COMPARISON SCHEDULE (CONTINUED)

GENERAL FUND

Year Ended December 31, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget- Positive (Negative)
	Original	Final		
Excess (deficiency) of revenues over expenditures	\$ 43,164	\$ (41,661)	\$ (364,272)	\$ (322,611)
Other financing uses: Transfers out	(33,100)	(33,100)	(33,100)	-
Net change in fund balance	\$ 10,064	\$ (74,761)	\$ (397,372)	\$ (322,611)
Fund balance (deficit), beginning	-	74,761	2,738,847	2,664,086
Prior period adjustment	-	-	(33,844)	(33,844)
Fund balance, ending	\$ 10,064	\$ -	\$ 2,307,631	\$ 2,307,631

ACADIA PARISH POLICE JURY  
BUDGETARY COMPARISON SCHEDULE  
PARISH ROAD FUND  
Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 528,863	\$ 528,863	\$ 526,129	\$ (2,734)
Intergovernmental	583,500	556,000	562,262	6,262
Charges for services	-	-	650	650
Licenses and permits	6,000	(7,213)	8,220	15,433
Investment income	10,200	8,975	9,149	174
Miscellaneous	11,000	32,588	32,588	-
Total revenues	<u>\$ 1,139,563</u>	<u>\$ 1,119,213</u>	<u>\$ 1,138,998</u>	<u>\$ 19,785</u>
Expenditures:				
Current -				
Public works	\$ 1,588,461	\$ 1,639,479	\$ 1,563,358	\$ 76,121
Capital outlay	194,000	319,769	342,089	(22,320)
Total expenditures	<u>\$ 1,782,461</u>	<u>\$ 1,959,248</u>	<u>\$ 1,905,447</u>	<u>\$ 53,801</u>
Deficiency of revenues over expenditures	\$ (642,898)	\$ (840,035)	\$ (766,449)	\$ 73,586
Other financing sources:				
Transfers in	<u>705,000</u>	<u>705,000</u>	<u>705,000</u>	<u>-</u>
Net change in fund balance	\$ 62,102	\$ (135,035)	\$ (61,449)	\$ 73,586
Fund balance, beginning	<u>-</u>	<u>135,035</u>	<u>1,258,210</u>	<u>1,123,175</u>
Fund balance, ending	<u>\$ 62,102</u>	<u>\$ -</u>	<u>\$ 1,196,761</u>	<u>\$ 1,196,761</u>

ACADIA PARISH POLICE JURY  
BUDGETARY COMPARISON SCHEDULE  
SALES TAX FUND  
Year Ended December 31, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,900,000	\$ 5,100,000	\$ 6,021,168	\$ 921,168
Investment income	293,100	150,699	190,194	39,495
Miscellaneous	5,000	6,909	6,909	-
Total revenues	<u>\$ 5,198,100</u>	<u>\$ 5,257,608</u>	<u>\$ 6,218,271</u>	<u>\$ 960,663</u>
Expenditures:				
Current -				
Health and welfare	\$ 2,796,347	\$ 2,563,817	\$ 2,543,995	\$ 19,822
Capital outlay	1,932,000	1,488,743	1,861,080	(372,337)
Total expenditures	<u>\$ 4,728,347</u>	<u>\$ 4,052,560</u>	<u>\$ 4,405,075</u>	<u>\$ (352,515)</u>
Excess of revenues over expenditures	<u>\$ 469,753</u>	<u>\$ 1,205,048</u>	<u>\$ 1,813,196</u>	<u>\$ 608,148</u>
Other financing sources (uses):				
Transfers in	\$ 260,000	\$ 260,000	\$ 260,000	\$ -
Transfers out	(2,985,000)	(3,419,546)	(3,419,546)	-
Total other financing sources (uses)	<u>\$ (2,725,000)</u>	<u>\$ (3,159,546)</u>	<u>\$ (3,159,546)</u>	<u>\$ -</u>
Net change in fund balance	<u>\$ (2,255,247)</u>	<u>\$ (1,954,498)</u>	<u>\$ (1,346,350)</u>	<u>\$ 608,148</u>
Fund balance, beginning	2,255,247	1,954,498	11,167,538	9,213,040
Prior period adjustment	<u>-</u>	<u>-</u>	<u>(799,418)</u>	<u>(799,418)</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,021,770</u>	<u>\$ 9,021,770</u>

ACADIA PARISH POLICE JURY  
 BUDGETARY COMPARISON SCHEDULE  
 1% SALES TAX DISTRICT NO. 2 FUND  
 Year Ended December 31, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,917,000	\$ 1,917,000	\$ 2,208,793	\$ 291,793
Investment income	66,000	11,350	11,970	620
Total revenues	<u>\$ 1,983,000</u>	<u>\$ 1,928,350</u>	<u>\$ 2,220,763</u>	<u>\$ 292,413</u>
Expenditures:				
Current -				
Health and welfare	\$ 139,475	\$ 140,989	\$ 142,269	\$ (1,280)
Capital outlay	250,000	452,758	456,554	(3,796)
Total expenditures	<u>\$ 389,475</u>	<u>\$ 593,747</u>	<u>\$ 598,823</u>	<u>\$ (5,076)</u>
Excess of revenues over expenditures	\$ 1,593,525	\$ 1,334,603	\$ 1,621,940	\$ 287,337
Other financing uses:				
Transfers out	<u>(1,593,100)</u>	<u>(1,593,100)</u>	<u>(1,615,000)</u>	<u>(21,900)</u>
Net change in fund balance	\$ 425	\$ (258,497)	\$ 6,940	\$ 265,437
Fund balance (deficit), beginning	-	258,497	2,107,428	1,848,931
Prior period adjustment	<u>-</u>	<u>-</u>	<u>(271,756)</u>	<u>(271,756)</u>
Fund balance, ending	<u>\$ 425</u>	<u>\$ -</u>	<u>\$ 1,842,612</u>	<u>\$ 1,842,612</u>

## ACADIA PARISH POLICE JURY

## NOTES TO THE BUDGETARY COMPARISON SCHEDULES

## Note 1. Budgets and Budgetary Accounting

The Police Jury uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to November 1, each Department Head submits a proposed operating budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. The budget is then legally enacted through passage of a resolution.
4. An amendment involving the transfer of monies from one department to another or from one program or function to another or any other increases in expenditures exceeding amounts estimated must be approved by the Police Jury.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. The budget is employed as a management control device during the year that assists its users in financial activity analysis.

All budget appropriations lapse at year-end. The budgets presented are the originally adopted budget and the final amended budget. Actual amounts may not vary more than 5% from the final amended budget at the individual fund level. For the year ended December 31, 2004, the General and Sales Tax Funds had actual expenditures (on the budgetary basis) that exceeded budgeted expenditures by more than 5%.

The following individual major funds had actual expenditures that exceeded budgeted expenditures for the year ended December 31, 2004:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Unfavorable Variance</u>
General Fund	\$3,511,688	\$3,624,359	\$3,930,196	\$ (305,837)
Sales Tax Fund	\$4,728,347	\$4,052,560	\$4,405,075	\$ (352,515)
1% Sales Tax District No. 2 Fund	\$ 389,475	\$ 593,747	\$ 598,823	\$ (5,076)

NOTES TO THE BUDGETARY COMPARISON SCHEDULES

Note 2. Explanation of the Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

	General Fund	Parish Road Fund	Sales Tax Fund	1% Sales Tax District No. 2 Fund
Sources/inflows of resources:				
Actual amounts (budgetary basis) from the budgetary comparison schedule	\$3,565,924	\$1,138,998	\$6,218,271	\$2,220,763
The Police Jury budgets revenues on the cash basis rather than the modified accrual basis	<u>244,144</u>	<u>58,070</u>	<u>(601,031)</u>	<u>(366,206)</u>
Total revenues, as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$3,810,068</u>	<u>\$1,197,068</u>	<u>\$5,617,240</u>	<u>\$1,854,557</u>
Use/outflows of resources:				
Actual amounts (budgetary basis) from the budgetary comparison schedule	\$3,930,196	\$1,905,447	\$4,405,075	\$ 598,823
The Police Jury budgets expenditures on the cash basis rather than the modified accrual basis	<u>7,586</u>	<u>1,251</u>	<u>(54,150)</u>	<u>(53,396)</u>
Total expenditures, as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$3,937,782</u>	<u>\$1,906,698</u>	<u>\$4,350,925</u>	<u>\$ 545,427</u>



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OTHER SUPPLEMENTARY INFORMATION

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COMBINING NONMAJOR GOVERNMENTAL FUND FINANCIAL STATEMENTS  
(BY TYPE)

## ACADIA PARISH POLICE JURY

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, BY FUND TYPE  
 December 31, 2004

ASSETS	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Cash	\$ 387,119	\$ 99,399	\$ 254,118	\$ 740,636
Investments	4,529,517	2,473,000	899,156	7,901,673
Taxes receivable	1,556,686	-	-	1,556,686
Special assessments receivable	-	-	12,582	12,582
Due from other governmental entities	225,246	-	-	225,246
Due from other funds	8,856	42,000	84,010	134,866
Total assets	<u>\$ 6,707,424</u>	<u>\$ 2,614,399</u>	<u>\$ 1,249,866</u>	<u>\$10,571,689</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 157,493	\$ 73,277	\$ 30,973	\$ 261,743
Retainage payable	14,934	-	-	14,934
Deferred revenue	50,000	-	11,034	61,034
Due to other funds	34,088	-	250,000	284,088
Total liabilities	<u>\$ 256,515</u>	<u>\$ 73,277</u>	<u>\$ 292,007</u>	<u>\$ 621,799</u>
FUND BALANCES				
Reserved for:				
Debt retirement	\$ -	\$ -	\$ 1,035,679	\$ 1,035,679
Incomplete contracts	23,731	137,241	-	160,972
Unreserved - designated for capital outlay	3,006	-	-	3,006
Unreserved - undesignated (deficit)	6,424,172	2,403,881	(77,820)	8,750,233
Total fund balances	<u>\$ 6,450,909</u>	<u>\$ 2,541,122</u>	<u>\$ 957,859</u>	<u>\$ 9,949,890</u>
Total liabilities and fund balances	<u>\$ 6,707,424</u>	<u>\$ 2,614,399</u>	<u>\$ 1,249,866</u>	<u>\$10,571,689</u>

## ACADIA PARISH POLICE JURY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES

## NONMAJOR GOVERNMENTAL FUNDS, BY FUND TYPE

Year Ended December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 2,086,100	\$ -	\$ -	\$ 2,086,100
Intergovernmental	282,445	-	-	282,445
Charges for services	53,314	-	-	53,314
Special assessments	-	-	6,089	6,089
Investment income	67,817	849	15,009	83,675
Miscellaneous	43,259	-	-	43,259
Total revenues	\$ 2,532,935	\$ 849	\$ 21,098	\$ 2,554,882
Expenditures:				
Current -				
Economic development and assistance	\$ 111,766	\$ -	\$ -	\$ 111,766
Health and welfare	939,344	-	-	939,344
Culture and recreation	1,043,568	-	-	1,043,568
Capital outlay	770,033	140,180	-	910,213
Debt service -				
Principal retirement	-	-	1,710,338	1,710,338
Interest and fiscal charges	-	-	558,622	558,622
Paying agent and other fees	4,945	28,442	3,003	36,390
Total expenditures	\$ 2,869,656	\$ 168,622	\$ 2,271,963	\$ 5,310,241
Deficiency of revenues over expenditures	\$ (336,721)	\$ (167,773)	\$ (2,250,865)	\$ (2,755,359)
Other financing sources (uses):				
Transfers in	\$ 100,000	\$ -	\$ 2,140,315	\$ 2,240,315
Transfers out	(247,215)	-	-	(247,215)
Proceeds from the sale of bonds	300,000	2,505,000	135,000	2,940,000
Proceeds from the sale of fixed assets	1,538,560	-	-	1,538,560
Total other financing sources (uses)	\$ 1,691,345	\$ 2,505,000	\$ 2,275,315	\$ 6,471,660
Net change in fund balances	\$ 1,354,624	\$ 2,337,227	\$ 24,450	\$ 3,716,301
Fund balances, beginning	5,096,285	203,895	933,409	6,233,589
Fund balances, ending	\$ 6,450,909	\$ 2,541,122	\$ 957,859	\$ 9,949,890

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#### NONMAJOR SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

*LIBRARY MAINTENANCE FUND* - To account for the maintenance of libraries within Acadia Parish.

*LEGROS MEMORIAL AIRPORT FUND* - To account for the maintenance and operation of the LeGros Memorial Airport.

*ACADIA RICE ARENA MAINTENANCE FUND* - To account for the maintenance and operation of the Acadia Rice Arena.

*COOPERATIVE EXTENSION FACILITY MAINTENANCE FUND* - To account for the maintenance of the Cooperative Extension Facility.

*INDUSTRIAL DISTRICT NO. I MAINTENANCE FUND* - To account for the maintenance, operation, and economic development of Industrial District No. I.

*MOSQUITO CONTROL SALES TAX DISTRICT NO. 3 FUND* - To account for the collection and disbursement of the Police Jury's %% sales and use tax levied that is dedicated to the mosquito abatement program.

*OFF-TRACK BETTING ELECTION FUND* - To account for the collection and disbursements of monies donated and dedicated for a special election relating to the off-track betting election.

*HEALTH UNIT MAINTENANCE FUND* - To account for the maintenance of health units that provide health and welfare services to the citizens of Acadia Parish.



ACADIA PARISH POLICE JURY  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 December 31, 2004

ASSETS	Library Maintenance Fund	LeGros Memorial Airport Fund	Acadia Rice Arena Maintenance Fund	Cooperative Extension Facility Maintenance Fund
Cash	\$ 151,327	\$ 417	\$ 808	\$ 1,847
Investments	684,628	40,000	50,000	350,000
Taxes receivable	742,595	-	194,353	194,353
Due from other governmental entities	112,082	-	-	-
Due from other funds	5,168	-	221	-
Total assets	<u>\$ 1,695,800</u>	<u>\$ 40,417</u>	<u>\$ 245,382</u>	<u>\$ 546,200</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ 97,610	\$ -	\$ 14,004	\$ 7,359
Retainage payable	-	-	-	4,250
Deferred revenue	-	-	-	-
Due to other funds	24,112	-	1,000	4,940
Total liabilities	<u>\$ 121,722</u>	<u>\$ -</u>	<u>\$ 15,004</u>	<u>\$ 16,549</u>
FUND BALANCES:				
Reserved for incomplete contracts	\$ -	\$ -	\$ -	\$ 23,731
Unreserved - designated for capital outlay	-	-	-	-
Unreserved - undesignated	1,574,078	40,417	230,378	505,920
Total fund balances	<u>\$ 1,574,078</u>	<u>\$ 40,417</u>	<u>\$ 230,378</u>	<u>\$ 529,651</u>
Total liabilities and fund balances	<u>\$ 1,695,800</u>	<u>\$ 40,417</u>	<u>\$ 245,382</u>	<u>\$ 546,200</u>

## Exhibit I-1

Industrial District No. I Maintenance Fund	Mosquito Control Sales Tax District No. 3 Fund	Off-Track Betting Election Fund	Health Unit Maintenance Fund	Total Nonmajor Special Revenue Funds
\$ 65,745	\$ 41,247	\$ 50,000	\$ 75,728	\$ 387,119
2,289,057	100,000	-	1,015,832	4,529,517
-	-	-	425,385	1,556,686
-	37,456	-	75,708	225,246
-	1,192	-	2,275	8,856
<u>\$ 2,354,802</u>	<u>\$ 179,895</u>	<u>\$ 50,000</u>	<u>\$ 1,594,928</u>	<u>\$ 6,707,424</u>
\$ 3,225	\$ 2,319	\$ -	\$ 32,976	\$ 157,493
-	10,684	-	-	14,934
-	-	50,000	-	50,000
-	-	-	4,036	34,088
<u>\$ 3,225</u>	<u>\$ 13,003</u>	<u>\$ 50,000</u>	<u>\$ 37,012</u>	<u>\$ 256,515</u>
\$ -	\$ -	\$ -	\$ -	\$ 23,731
-	3,006	-	-	3,006
2,351,577	163,886	-	1,557,916	6,424,172
<u>\$ 2,351,577</u>	<u>\$ 166,892</u>	<u>\$ -</u>	<u>\$ 1,557,916</u>	<u>\$ 6,450,909</u>
<u>\$ 2,354,802</u>	<u>\$ 179,895</u>	<u>\$ 50,000</u>	<u>\$ 1,594,928</u>	<u>\$ 6,707,424</u>

ACADIA PARISH POLICE JURY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended December 31, 2004

	Library Maintenance Fund	LeGros Memorial Airport Fund	Acadia Rice Arena Maintenance Fund	Cooperative Extension Facility Maintenance Fund
Revenues:				
Taxes	\$ 759,831	\$ -	\$ 193,277	\$ 193,279
Intergovernmental	153,692	-	-	-
Charges for services	14,461	-	27,750	-
Investment income	16,019	628	622	3,594
Miscellaneous	8,204	-	-	-
Total revenues	\$ 952,207	\$ 628	\$ 221,649	\$ 196,873
Expenditures:				
Current -				
Economic development and assistance	\$ -	\$ -	\$ -	\$ 74,159
Health and welfare	-	-	-	-
Culture and recreation	937,829	-	105,739	-
Capital outlay	119,343	26,014	20,050	141,096
Debt service -				
Paying agent and other fees	-	-	-	-
Total expenditures	\$ 1,057,172	\$ 26,014	\$ 125,789	\$ 215,255
Excess (deficiency) of revenues over expenditures	\$ (104,965)	\$ (25,386)	\$ 95,860	\$ (18,382)
Other financing sources (uses):				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	(107,215)	-
Proceeds from the sale of bonds	-	-	-	-
Proceeds from the sale of fixed assets	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ (107,215)	\$ -
Net change in fund balances	\$ (104,965)	\$ (25,386)	\$ (11,355)	\$ (18,382)
Fund balances (deficit), beginning	1,679,043	65,803	241,733	548,033
Fund balances, ending	\$ 1,574,078	\$ 40,417	\$ 230,378	\$ 529,651

Industrial District No. I Maintenance Fund	Mosquito Control Sales Tax District No. 3 Fund	Off-Track Betting Election Fund	Health Unit Maintenance Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ 538,019	\$ -	\$ 401,694	\$ 2,086,100
-	15,000	-	113,753	282,445
2,873	-	-	8,230	53,314
18,926	3,002	-	25,026	67,817
35,055	-	-	-	43,259
<u>\$ 56,854</u>	<u>\$ 556,021</u>	<u>\$ -</u>	<u>\$ 548,703</u>	<u>\$ 2,532,935</u>
\$ 37,607	\$ -	\$ -	\$ -	\$ 111,766
-	455,004	-	484,340	939,344
-	-	-	-	1,043,568
149,648	288,201	-	25,681	770,033
-	4,945	-	-	4,945
<u>\$ 187,255</u>	<u>\$ 748,150</u>	<u>\$ -</u>	<u>\$ 510,021</u>	<u>\$ 2,869,656</u>
\$ (130,401)	\$ (192,129)	\$ -	\$ 38,682	\$ (336,721)
\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
-	(40,000)	-	(100,000)	(247,215)
-	300,000	-	-	300,000
1,538,560	-	-	-	1,538,560
<u>\$ 1,538,560</u>	<u>\$ 360,000</u>	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ 1,691,345</u>
\$ 1,408,159	\$ 167,871	\$ -	\$ (61,318)	\$ 1,354,624
943,418	(979)	-	1,619,234	5,096,285
<u>\$ 2,351,577</u>	<u>\$ 166,892</u>	<u>\$ -</u>	<u>\$ 1,557,916</u>	<u>\$ 6,450,909</u>

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NONMAJOR CAPITAL PROJECTS FUNDS

To account for financial resources received and used for the acquisition, construction, or improvement of major capital facilities.

*CORRECTIONAL CENTER CONSTRUCTION FUND* - To account for costs associated with constructing a new correctional center.

*SALES TAX ROAD BOND CONSTRUCTION FUND* - To account for costs associated with constructing and improving roads within Acadia Parish.

ACADIA PARISH POLICE JURY  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 December 31, 2004

ASSETS	Correctional Center Construction Fund	Sales Tax Road Bond Construction Fund	Total Nonmajor Capital Projects Funds
Cash	\$ 1,828	\$ 97,571	\$ 99,399
Investments	2,473,000	-	2,473,000
Due from other funds	-	42,000	42,000
Total assets	<u>\$ 2,474,828</u>	<u>\$ 139,571</u>	<u>\$ 2,614,399</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	<u>\$ 70,947</u>	<u>\$ 2,330</u>	<u>\$ 73,277</u>
FUND BALANCES			
Reserved for incomplete contracts	\$ -	\$ 137,241	\$ 137,241
Unreserved - undesignated	2,403,881	-	2,403,881
Total fund balances	<u>\$ 2,403,881</u>	<u>\$ 137,241</u>	<u>\$ 2,541,122</u>
Total liabilities and fund balances	<u>\$ 2,474,828</u>	<u>\$ 139,571</u>	<u>\$ 2,614,399</u>

## ACADIA PARISH POLICE JURY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 Year Ended December 31, 2004

	Correctional Center Construction Fund	Sales Tax Road Bond Construction Fund	Total Nonmajor Capital Projects Funds
Revenues:			
Investment income	\$ 45	\$ 804	\$ 849
Expenditures:			
Capital outlay	\$ 72,722	\$ 67,458	\$ 140,180
Debt service - Paying agent and other fees	28,442	-	28,442
Total expenditures	\$ 101,164	\$ 67,458	\$ 168,622
Deficiency of revenues over expenditures	\$ (101,119)	\$ (66,654)	\$ (167,773)
Other financing sources:			
Proceeds from the sale of bonds	2,505,000	-	2,505,000
Net change in fund balances	\$ 2,403,881	\$ (66,654)	\$ 2,337,227
Fund balances, beginning	-	203,895	203,895
Fund balances, ending	\$ 2,403,881	\$ 137,241	\$ 2,541,122



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## NONMAJOR DEBT SERVICE FUNDS

To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

*EXCESS REVENUE DEBT SINKING FUND* - To accumulate monies for the payment of Certificates of Indebtedness, Series 1999 and Correctional Center Bonds, Series 2004 issued in amounts of \$240,000 and \$2,640,000, respectively. The certificates of indebtedness were issued for the purpose of constructing a public building for use by the Acadia Parish Convention and Visitors Commission. The certificates are financed by excess annual revenues. The correctional center bonds were issued for the purpose of constructing a new correctional facility. The bond issue is financed by excess annual revenues.

*EXCESS REVENUE BONDS SINKING FUND* - To accumulate monies for the payment of Refunding Certificates of Indebtedness, Series 2002 issued in the amount of \$3,905,000. The certificates were issued for the purpose of advance refunding \$3,830,000 and \$435,000 of Certificates of Indebtedness, Series 1997 and 1998, respectively. The certificates are financed by sales and use tax revenues.

*CERTIFICATES OF INDEBTEDNESS, SERIES 2000 SINKING FUND* - To accumulate monies for the payment of Refunding Bonds, Series 2003 issued in the amount of \$690,000. The bonds were issued for the purpose of advance refunding \$680,000 of Certificates of Indebtedness, Series 2000. The bond issue is financed by property tax revenues.

*PAVING CERTIFICATES, SERIES 1999 SINKING FUND* - To accumulate monies for the payment of Paving Certificates, Series 1999 issued in the amount of \$133,381. The certificates were issued for the purpose of constructing street paving improvements on roads within Acadia Parish. The certificates are financed by assessments levied on property owners within the designated area.

*MOSQUITO CONTROL SALES TAX DISTRICT NO. 3 SINKING FUND* - To accumulate monies for the payment of Certificates of Indebtedness, Series 2004 issued in the amount of \$300,000. The certificates were issued for the purpose of constructing a public building for use by the Mosquito Control Department. The certificates are financed by sales and use tax revenues.

*SALES TAX ROAD BONDS, SERIES 1996 SINKING FUND* - To accumulate monies for the payment of Sales Tax Road Bonds, Series 1996 issued in the amount of \$5,600,000. The bonds were issued for the purpose of constructing and improving roads within Acadia Parish. The bond issue is financed by sales and use tax revenues.

ACADIA PARISH POLICE JURY  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 December 31, 2004

ASSETS	Excess Revenue Debt Sinking Fund	Excess Revenue Bonds Sinking Fund	Certificates of Indebt- edness, Series 2000 Sinking Fund
Cash	\$ 6,134	\$ 196,973	\$ 5,567
Investments	-	699,156	-
Special assessments receivable	-	-	-
Due from other funds	-	84,010	-
Total assets	<u>\$ 6,134</u>	<u>\$ 980,139</u>	<u>\$ 5,567</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Deferred revenue	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES			
Reserved for debt retirement	\$ -	\$ 980,139	\$ 5,567
Unreserved - undesignated (deficit)	6,134	-	-
Total fund balances	<u>\$ 6,134</u>	<u>\$ 980,139</u>	<u>\$ 5,567</u>
Total liabilities and fund balances	<u>\$ 6,134</u>	<u>\$ 980,139</u>	<u>\$ 5,567</u>

Paving Certificates Series 1999, Sinking Fund	Mosquito Control Sales Tax District No. 3 Sinking Fund	Sales Tax Road Bonds, Series 1996 Sinking Fund	Total Nonmajor Debt Service Funds
\$ 4,248	\$ 35,150	\$ 6,046	\$ 254,118
40,000	-	160,000	899,156
12,582	-	-	12,582
-	-	-	84,010
<u>\$ 56,830</u>	<u>\$ 35,150</u>	<u>\$ 166,046</u>	<u>\$ 1,249,866</u>
\$ -	\$ 30,973	\$ -	\$ 30,973
11,034	-	-	11,034
-	-	250,000	250,000
<u>\$ 11,034</u>	<u>\$ 30,973</u>	<u>\$ 250,000</u>	<u>\$ 292,007</u>
\$ 45,796	\$ 4,177	\$ -	\$ 1,035,679
-	-	(83,954)	(77,820)
<u>\$ 45,796</u>	<u>\$ 4,177</u>	<u>\$ (83,954)</u>	<u>\$ 957,859</u>
<u>\$ 56,830</u>	<u>\$ 35,150</u>	<u>\$ 166,046</u>	<u>\$ 1,249,866</u>

ACADIA PARISH POLICE JURY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 Year Ended December 31, 2004

	Excess Revenue Debt Sinking Fund	Excess Revenue Bonds Sinking Fund	Certificates of Indebt- edness, Series 2000 Sinking Fund
Revenues:			
Special assessments	\$ -	\$ -	\$ -
Investment income	1,345	11,561	-
Total revenues	<u>\$ 1,345</u>	<u>\$ 11,561</u>	<u>\$ -</u>
Expenditures:			
Debt service -			
Principal retirement	\$ 160,000	\$ 826,000	\$ 85,000
Interest coupons paid	8,000	110,556	22,015
Paying agent and other fees	-	779	-
Total expenditures	<u>\$ 168,000</u>	<u>\$ 937,335</u>	<u>\$ 107,015</u>
Deficiency of revenues over expenditures	<u>\$ (166,655)</u>	<u>\$ (925,774)</u>	<u>\$ (107,015)</u>
Other financing sources:			
Transfers in	\$ 33,100	\$ 960,000	\$ 107,215
Proceeds from the sale of bonds	135,000	-	-
Total other financing sources	<u>\$ 168,100</u>	<u>\$ 960,000</u>	<u>\$ 107,215</u>
Net change in fund balances	\$ 1,445	\$ 34,226	\$ 200
Fund balances (deficit), beginning	<u>4,689</u>	<u>945,913</u>	<u>5,367</u>
Fund balances (deficit), ending	<u><u>\$ 6,134</u></u>	<u><u>\$ 980,139</u></u>	<u><u>\$ 5,567</u></u>

Paving Certificates Series 1999, Sinking Fund	Mosquito Control Sales Tax District No. 3 Sinking Fund	Sales Tax Road Bonds, Series 1996 Sinking Fund	Total Nonmajor Debt Service Funds
\$ 6,089	\$ -	\$ -	\$ 6,089
-	122	1,981	15,009
<u>\$ 6,089</u>	<u>\$ 122</u>	<u>\$ 1,981</u>	<u>\$ 21,098</u>
\$ 13,338	\$ 26,000	\$ 600,000	\$ 1,710,338
4,001	9,945	404,105	558,622
-	-	2,224	3,003
<u>\$ 17,339</u>	<u>\$ 35,945</u>	<u>\$ 1,006,329</u>	<u>\$ 2,271,963</u>
\$ (11,250)	\$ (35,823)	\$ (1,004,348)	\$ (2,250,865)
\$ -	\$ 40,000	\$ 1,000,000	\$ 2,140,315
-	-	-	135,000
<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 1,000,000</u>	<u>\$ 2,275,315</u>
\$ (11,250)	\$ 4,177	\$ (4,348)	\$ 24,450
57,046	-	(79,606)	933,409
<u>\$ 45,796</u>	<u>\$ 4,177</u>	<u>\$ (83,954)</u>	<u>\$ 957,859</u>

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## **BROUSSARD, POCHÉ, LEWIS & BREAU, L.L.P.**

C E R T I F I E D   P U B L I C   A C C O U N T A N T S

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### **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

#### **Other Offices:**

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Joey L. Breau, CPA\*  
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Erma R. Walton, CPA 1988  
George A. Lewis, CPA\* 1992  
Geraldine J. Wimberley, CPA\* 1995  
Rodney L. Savoy, CPA\* 1996  
Larry G. Broussard, CPA\* 1996  
Lawrence A. Cramer, CPA\* 1999  
Michael P. Crochet, CPA\* 1999  
Ralph Friend, CPA 2002

To the Honorable Cecelia Broussard, President  
Acadia Parish Police Jury  
Crowley, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish Police Jury as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements of the Acadia Parish Police Jury's primary government and have issued our report thereon dated July 27, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

#### **Compliance**

As part of obtaining reasonable assurance about whether the Acadia Parish Police Jury's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs at items #2004-1 and #2004-2.



### Internal Control Over Financial Reporting

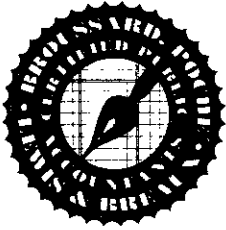
In planning and performing our audit, we considered the Acadia Parish Police Jury's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Acadia Parish Police Jury's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items #2004-3 through #2004-6.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. However, we consider the reportable conditions described above to be material weaknesses.

This report is intended solely for the information and use of management of the Acadia Parish Police Jury, the Louisiana Legislative Auditor, Federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Broussard, Roche, Lewis & Meany, L.L.P.*

Crowley, Louisiana  
July 27, 2005



## **BROUSSARD, POCHÉ, LEWIS & BREAU, L.L.P.**

C E R T I F I E D   P U B L I C   A C C O U N T A N T S

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### **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

#### **Other Offices:**

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(337) 364-4554  
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Larry G. Broussard, CPA\* 1996  
Lawrence A. Cramer, CPA\* 1999  
Michael P. Crochet, CPA\* 1999  
Ralph Friend, CPA 2002

To the Honorable Cecelia Broussard, President  
Acadia Parish Police Jury  
Crowley, Louisiana

#### **Compliance**

We have audited the compliance of the Acadia Parish Police Jury with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended December 31, 2004. The Acadia Parish Police Jury's major Federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal programs is the responsibility of the Acadia Parish Police Jury's management. Our responsibility is to express an opinion on the Acadia Parish Police Jury's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the Acadia Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Acadia Parish Police Jury's compliance with those requirements.

In our opinion, the Acadia Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended December 31, 2004.

#### Internal Control Over Compliance

The management of the Acadia Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered the Acadia Parish Police Jury's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Acadia Parish Police Jury's ability to administer a Federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item #2004-7.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. However, we believe that the reportable condition referred to above to be a material weakness.

This report is intended solely for the information and use of management of the Acadia Parish Police Jury, the Louisiana Legislative Auditor, Federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Broussard, Roche, Lewis & Breaux, L.L.P.*

Crowley, Louisiana  
July 27, 2005

## ACADIA PARISH POLICE JURY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2004

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish Police Jury as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements of the Acadia Parish Police Jury's primary government, and have issued our report thereon dated July 27, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2004 resulted in an adverse opinion on the reporting entity and an unqualified opinion on all other opinion units.

## Section I. Summary of Auditors' Reports

## a. Report on Internal Control and Compliance Material to the Financial Statements

## Internal Control

Material Weaknesses ☒ Yes ☐ No Reportable Conditions ☒ Yes ☐ No

## Compliance

Compliance Material to Financial Statements ☒ Yes ☐ No

## b. Federal Awards

## Internal Control

Material Weaknesses ☒ Yes ☐ No Reportable Conditions ☒ Yes ☐ No

Type of Opinion on Compliance ☒ Unqualified ☐ Qualified  
For Major Programs ☐ Disclaimer ☐ Adverse

Are these findings required to be reported in accordance with Circular A-133, Section .510 (a)? ☒ Yes ☐ No

Identification of major programs:

CFDA NumberName of Federal Program

20.106

Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 300,000

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133?

☐ Yes ☒ No

## Section II. Financial Statement Findings

### **#2004-1 Reporting**

Finding: The Police Jury's annual audited financial report for the year ended December 31, 2004 was not filed with the Louisiana Legislative Auditor's Office within six months after the close of the fiscal year as required by *LSA-RS 24:513*.

Recommendation: We recommend that in the future, the audit report be completed within the time required by State Law.

### **#2004-2 Budget Violations**

Finding: For the year ended December 31, 2004, actual expenditures exceeded budget expenditures in the General and Sales Tax funds by 8% and 9%, respectively. Louisiana Revised Statute 39:1311 requires that the budget be amended if actual expenditures are exceeding budgeted expenditures by more than 5%.

Recommendation: We recommend that the budget be reviewed periodically throughout the year and amended as situations warrant in order to comply with the Louisiana Local Government Budget Act.

### **#2004-3 Journal Entries**

Finding: Journal entries are posted directly to the accounting system without supervisory review and/or approval. Additionally, journal entries posted to the accounting system are not adequately supported by a detailed explanation or other documentation.

Recommendation: We recommend that the Police Jury adopt written policies and/or detailed procedures whereby all journal entries are accompanied by full explanation, adequately documented, and reviewed and approved by a responsible member of management prior to posting.

### **#2004-4 Reconciliation of General Ledger Accounts**

Finding: Due to/from and transfers in/out accounts were not reconciled at year-end.

Recommendation: We recommend that the Police Jury adopt written policies and/or detailed procedures to ensure that all due to/from and transfers in/out accounts are reconciled on a monthly basis.

### **#2004-5 Computer Controls**

Finding: Physical access to a computer terminal with access to the accounting system is not limited. The computer terminal is located in the break/conference room near the Police Jury's administrative offices. Additionally, the accounting system is backed up daily; however, the backup tape is not taken offsite each day. Also, when the employee responsible for preparing the daily backup tape is out of the office, no backup tape is prepared.

Recommendation: We recommend that the computer terminal with access to the accounting system be moved to a secure location within the administrative offices which would provide access to only authorized individuals. We further recommend that the backup tape either be taken offsite each day or maintained in the fire-proof vault. In addition, we recommend that written policies and/or detailed procedures be developed for this process and to ensure that in the absence of the primary employee in charge of this function that another employee prepares the backup tape.

#### **#2004-6 Personnel Policy Manual**

Finding: Most sections of the Police Jury's *Personnel Policy Manual* have not been updated since January 14, 1982, including the section relating to expense reimbursements which reflects employee mileage reimbursement at .21¢ per mile. Current employee mileage reimbursement is .36¢ per mile. The section relating to expense reimbursements also reflects mileage reimbursement for Police Jurors for attending regular, special, or committee meetings. The Police Jurors only receive a monthly per diem, not mileage reimbursements. Additionally, the section relating to attendance reflects a normal workweek of 40 hours when in actuality employees are only required to work 7-hour days resulting in a 35-hour workweek.

Recommendation: We recommend that the *Personnel Policy Manual* be updated to ensure current data.

### **Section III. Federal Award Findings and Questioned Costs**

#### **#2004-7 Grant Reimbursement Requests**

Finding: While performing procedures relating to the Federal Aviation Administration Grant we noted the following discrepancies:

1. Three of the eight *Louisiana Department of Transportation and Development Requests for Reimbursement for Airport Programs* were not signed by the Parish President.
2. All eight of the *Louisiana Department of Transportation and Development Requests for Reimbursement for Airport Programs* were not totaled.
3. The State's Eligible Share on two of the eight *Louisiana Department of Transportation and Development Requests for Reimbursement for Airport Programs* was incorrectly computed by the Parish Engineers at 10% rather than 5%.
4. Four of the six *Outlay Reports and Requests for Reimbursement for Construction Programs* were not dated either by the Parish President and/or the Parish Engineers.
5. One of the six *Outlay Reports and Requests for Reimbursement for Construction Programs* was not signed by the Parish President.

6. Two of the six *Outlay Reports and Requests for Reimbursement for Construction Programs* did not total across.
7. The Federal Share on three of the six *Outlay Reports and Requests for Reimbursement for Construction Programs* was incorrectly computed by the Parish Engineers at 90% rather than 95%.
8. Two of the six *Outlay Reports and Requests for Reimbursement for Construction Programs* were incorrectly totaled.

Recommendation: We recommend that the Police Jury require the engineering firm to carefully review all requests prior to submission to them. In addition, the Police Jury should review the information on the request prior to submitting to the applicable State or Federal agencies.

ACADIA PARISH POLICE JURY

SCHEDULE OF PRIOR YEAR FINDINGS  
Year Ended December 31, 2004

Section I. Internal Control and Compliance Material to the Financial Statements

**#2003-1 Budget Violations**

Recommendation: We recommend that the budget be reviewed periodically throughout the year and amended as situations warrant in order to comply with the Louisiana Local Government Budget Act.

Current Status: Finding is repeated for the current year.

**#2003-2 Capital Assets**

Recommendation: We recommend and management of the Acadia Parish Police Jury agrees that management should review its internal control system over property management to ensure that it is functioning as intended and includes all appropriate checks and balances.

Current Status: Procedures were established this year to ensure the accuracy of the property management system.

**#2003-3 Unsecured Deposits**

Recommendation: We recommend and management of the Acadia Parish Police Jury agrees to monitor its demand deposits to ensure that balances at each financial institution do not exceed the combined amounts of FDIC coverage and pledged securities.

Current Status: No similar violations were noted in the current year.

**#2003-4 Reporting**

Recommendation: We recommend and management of the Acadia Parish Police Jury agrees that every effort should be made to ensure that the information needed for the completion of the engagement be made available in a timely manner.

Current Status: Finding is repeated for the current year.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

There were no matters reported in a separate management letter for the year ended December 31, 2003.



## ACADIA PARISH POLICE JURY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended December 31, 2004

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Agriculture:</b>			
Pass-Through Program From:			
State of Louisiana, Department of Health and Hospitals, Office of Public Health - Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	-	\$ 57,845
<b>U.S. Department of Homeland Security:</b>			
Pass-Through Program From:			
State of Louisiana, Department of Homeland Security and Emergency Preparedness - State Domestic Preparedness:			
Equipment Support Program	97.004	-	\$ 259,361
Hazard Mitigation Grant	97.039	1437-001-0001	5,625
Total U.S. Department of Homeland Security			\$ 264,986
<b>U.S. Department of Housing and Urban Development:</b>			
Pass-Through Program From:			
State of Louisiana, Department of Social Services, Office of Community Services -			
Emergency Shelter Grants Program	14.231	598094	\$ 9,269
Emergency Shelter Grants Program	14.231	610769	6,588
Total U.S. Department of Housing and Urban Development			\$ 15,857
<b>U.S. Department of Transportation:</b>			
Federal Aviation Administration:			
Airport Improvement Program	20.106	-	\$ 393,816
Total expenditures of Federal awards			\$ 732,504

The accompanying notes are an integral part of this schedule.

ACADIA PARISH POLICE JURY

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2004

Note 1. Basis of Presentation

The accompanying *Schedule of Expenditures of Federal Awards* includes the Federal grant activity of the Police Jury and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

## ACADIA PARISH POLICE JURY

SCHEDULE OF COMPENSATION PAID TO JURORS  
Year Ended December 31, 2004

John W. Beard	\$ 337
Thomas Cade Benoit	11,063
A. J. "Fatty" Broussard	11,063
Cecelia Broussard	12,565
Claude J. Courville	373
A. J. "Jay" Credeur	11,063
Pat Daigle	337
John W. Humble, Sr.	11,400
Catherine R. LaCombe	337
Felton Tony Moreau	11,063
Jimmie Pellerin	11,400
Alton Stevenson	<u>11,400</u>
Total compensation paid to jurors	<u>\$ 92,401</u>

The above schedule of compensation paid to the Acadia Parish Police Jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Police Jurors is included in current expenditures (general government - legislative) of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the Police Jury has elected the monthly payment method of compensation. Under this method, the Police Jurors receive monthly compensation of \$950, and the President of the Police Jury receives \$1,050 for monthly and special meetings attended.



## Acadia Parish Police Jury

Post Office Box A

Crowley, Louisiana 70527-6001

OFFICE: (337) 788-8800

FAX: (337) 788-2421

EMAIL: appjadm@cox-internet.com

www.acadiaparishpolicejury.org

CECELIA S. BROUSSARD  
President

A. J. BROUSSARD  
Vice-President

KATRY MARTIN  
Secretary-Treasurer

July 27, 2005

### DISTRICT 1

ALTON STEVENSON  
P.O. Box 2366  
Crowley, LA 70527-2366  
(337) 783-6215

### DISTRICT 2

A. J. "FATTY" BROUSSARD  
526 Atwood Drive  
Crowley, LA 70526  
(337) 783-1607

### DISTRICT 3

JOHN W. HUMBLE, SR.  
P.O. Box 253  
Morse, LA 70559-0274  
(337) 783-4238

### DISTRICT 4

CECELIA BROUSSARD  
212 Addie Drive  
Crowley, LA 70526  
(337) 334-4966

### DISTRICT 5

JIMMIE PELLERIN  
863 Nation Road  
Rayne, LA 70578  
(337) 334-4711

### DISTRICT 6

A. J. "JAY" CREDEUR  
8520 Grand Prairie Hwy.  
Church Point, LA 70525  
(337) 873-6339

### DISTRICT 7

CADE BENOIT  
240 St. Rita Lane  
Church Point, LA 70525  
(337) 684-6239

### DISTRICT 8

FELTON "TONY" MOREAU  
7912 Eunice/Lota Hwy.  
Eunice, LA 70535  
(337) 546-1181

Mr. Steve Theriot  
Legislative Auditor  
State of Louisiana  
Post Office Box 94397  
Baton Rouge, LA 70804-9397

Acadia Parish Police Jury respectfully submits the following corrective action plan for the year ended December 31, 2004.

Name and address of independent public accounting firm:  
Broussard, Poche', Lewis & Breaux, L.L.P.  
Certified Public Accountants  
Post Office Box 61400  
Lafayette, Louisiana 70596-1400

Audit period: January 1, 2004 through December 31, 2004.

The findings from the 2004 *Schedule of Findings and Questioned Costs* are discussed below. The findings are numbered consistently with the number assigned in the schedule. *Section I of the Schedule, Summary of Auditors' Reports*, does not include findings and is not addressed.

## Section II. Financial Statement Findings

### #2004-1 Reporting

**Recommendation:** We recommend that the annual audited financial report be filed with the Louisiana Legislative Auditor's Office within six months after the close of the fiscal year as required by LSA-RS 24:513.

**Action Taken:** Every effort will be made to ensure that the financial records and information needed for a timely audit will be made available and the Police Jury will engage in regular communication

with the auditor so as to complete the audit within the time frame required by law.

#### **2004-2 Budget Violation**

**Recommendation:** We recommend that the budget be reviewed periodically throughout the year and amended as situations warrant in order to comply with the Louisiana Local Government Budget Act.

**Action Taken:** Every effort will be made to review the budget as situations warrant in order to comply with the Louisiana Local Government Budget Act.

#### **#2004-3 Journal Entries**

**Recommendation:** We recommend that the Police Jury adopt written policies and/or detailed procedures whereby all journal entries are accompanied by full explanation, adequately documented, and reviewed and approved by a responsible member of management prior to posting.

**Action Taken:** Written policies will be adopted detailing procedures so that journal entries are accompanied by explanations, documented, and reviewed by management prior to posting.

#### **#2004-4 Reconciliation of General Ledger Accounts**

**Recommendation:** We recommend that the Police Jury adopt written policies and/or detailed procedures to ensure that all due to/from and transfers in/out accounts are reconciled on a monthly basis.

**Action Taken:** Written policies will be adopted detailing procedures to ensure that all due to/from and transfers in/out accounts are reconciled on a monthly basis.

#### **#2004-5 Computer Controls**

**Recommendation:** We recommend that the computer terminal with access to the accounting system be moved to a secure location within the administrative offices which would provide access to only authorized individuals. We further recommend that the backup tape either be taken offsite each day or maintained in the fire-proof vault. In addition, we recommend that written policies and/or detailed procedures be developed for this process and to ensure that in the

absence of the primary employee in charge of this function that another employee prepares the backup tape.

Action Taken: Pass codes will be installed on all terminals to provide security from improper access of accounting information and policy will be implemented requiring daily backups and placement of tapes in a fire-proof vault.

#### **#2004-6 Personnel Policy Manual**

Recommendation: We recommend that the *Personnel Policy Manual* be updated to ensure current data.

Action Taken: The *Personnel Policy Manual* will be updated to ensure current employee data.

### **Section III. Federal Award Findings and Questioned Costs**

#### **20.106 - Airport Improvement Program**

#### **#2004-7 Grant Reimbursement Requests**

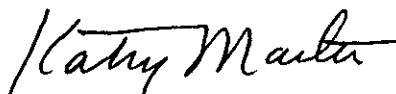
Recommendation: We recommend that the Parish Engineers carefully review all requests for reimbursement prior to submission to the Police Jury and that management of the Police Jury also carefully review all requests for reimbursement prior to submission to the applicable State or Federal agencies for completeness and accuracy.

Action Taken: The Parish Engineers and management will more carefully review all requests for reimbursement prior to submission to the applicable State or Federal agencies for completeness and accuracy.

If the Legislative Auditor has questions regarding this plan, please call Katry Martin, Secretary-Treasurer, at (337)788-8800.

Sincerely yours,

ACADIA PARISH POLICE JURY

A handwritten signature in black ink that reads "Katry Martin". The signature is written in a cursive, flowing style.

Katry Martin  
Secretary-Treasurer